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# West Europe Report



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22 March 1984

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## REPRESSION OF PACIFIST DISSIDENTS INCREASES

Paris LE MONDE (International edition) in French 26 Jan 84 p 5

[Article by Claire Trean]

[Text] East Berlin, 26 January 84--The rock group BAP from Cologne will not sing in the GDR. Its 2-week tour was to begin on 14 January with a concert at the Palace of the Republic in East Berlin. The day before they were scheduled to open, all the arrangements fell apart. In the program there was something the East German organizers could not allow: a song referring to "the clique" of those who claim to be "representatives of the people," which refers to converting "swords into plowshares and SS-20s into tractors." The musicians would not budge: it would be the whole program or nothing. And they packed their bags, informing the very official East German organization called "Rock for Peace" that they are not diplomats, that they had come to sing, not to negotiate.

Udo Lindenberg, another West German rock star, for his part was able to appear in East Berlin last October. After 8 years of stubborn refusal, an opportunity was offered to this singer, whose records have only clandestine circulation, this rock "dandy" who, in his very famous "Special Train for Pankow," addresses "the great Indian chieftain" with a steady beat: "Honey, honey, why don't you let me sing in the state of the workers and the peasants?" And so Udo Lindenberg sang, not this insolent refrain, but others, pacifist in tone but vague enough that the entire audience, packed with members of the communist youth organization, could applaud without outraging proper socialist mores. Lindenberg's real supporters stayed away, and it was the singer who was disappointed this time.

## The Luxury of Tolerance

These are only anecdotes, but they reveal the true nature of the generosity of the East German state toward its youth. The East German authorities doubtless benefitted from the pictures widely circulated in the West last year, showing young people gaudily decked out in studded leather shirts with their hair standing straight up. These punk rockers enlivened the leaden image which generally prevails concerning their country, and demonstrated in their way that the GDR was not what one thought and that socialism was able to allow freedoms and fantasies. And even the somewhat hasty analyses which saw in these young people the advent of a rebel generation, indirectly bear witness to the solidity of a regime capable of allowing itself the luxury of tolerance.

There are punk rockers in East Berlin, it is true, but how many are there, discounting the Sunday "punks" whose hair is neatly combed at the beginning of the week when it is time to return to class? It is true that there are squatters, above all in the Prenzlauer Berg neighborhood, who are doubtless following the example of Kreuzberg, a few hundred meters away on the other side of the wall. But who are they?

Individuals who are not always young and who prefer to pay a fine and to occupy vacant apartments rather than wait, perhaps for years, for the bureaucracy to fill their housing applications. People in any case whose situation is normalized, once the fine has been paid, and who, they would have us believe, have no opportunity to choose a style of dressing, housing, social life.

If anything has changed in the GDR in these past few years, it is not in these sectors which are not truly marginal, but much deeper, in the vast debate which has developed in the circles of young people, women and intellectuals more or less affiliated with the evangelical church on the general theme of peace.

Contrary to what is said by the leading circles in Bonn, who believe that the installation of the first Pershing IIs in the FRG has not to date had any serious consequences, and who take credit for a series of technical agreements recently concluded with East Berlin, the month of December was marked by a very brutal hardening of the climate of thinking within the GDR. After a month of relative internal detente, a series of searches, challenges, interrogations and incarcerations was not long in coming in Weimar, Potsdam, Leipzig and East Berlin.

It is no longer a question, for the time being, of bicycle marathons on the ecological issue, as occurred last year. It is no longer a matter of wearing the badge of the dissident pacifist, nor of street demonstrations, even in terms of silent minidemonstrations. It is no longer a matter of meetings in private apartments, which could be interpreted as demonstrations of support for individuals who had been arrested.

The groups which had moved away from the protective asylum of the church are tending to return. "The people had become brave," says a young writer in summarizing what was in his eyes the main achievement of the dissident movement for peace in the GDR. And now again it appears they are afraid, mistrustful, waiting.

They are much concerned about Barbel Bohley and Ulrike Poppe, in particular, two of the sponsors of the women's group for peace, who were put in prison in East Berlin on 12 December, and whose release was announced in the West on Tuesday. In fact, the authorities seemed to want to make an example of them.

According to the usual method, pressure was put on the two women--and their husbands--to sign a visa application to leave the country. By removing the irritating factor in this fashion, the East German authorities generally hope to avoid the publicity of the trial and the protests which might follow a

conviction, while acquiring the means of discrediting the interested parties by showing them as desirous only of leaving the country.

Barbel Bohley and Ulrike Poppe would not yield. They were given a sentence of 2 to 12 years in prison, on the basis of the constitutional article penalizing the circulation abroad of information prejudicial to the country. And all of this because they answered the questions of a feminist and pacifist British journalist who was detained and questioned for several days on her departure from the GDR, but who has remained strangely silent since. The two women, one of whom is a painter, while the other works in an East Berlin museum, had doubtless in the eyes of the authorities pushed their pacifist commitment too far. In a petition signed by 300 women and addressed to Mr Honecker, they had protested the amendment of the military law in March 1982 which provided that women could be called up for service in the event of a general mobilization. "We women," they said among other things, "rise up against the idea of having one day to defend a country, which will have become uninhabitable, in the ranks of the people's national army."

As founders of women's groups, they had explicitly challenged the equality of the sexes in the socialist society. Together with other parents, they established a maverick nursery school several years ago in an apartment in Prenzlauer Berg, in order to remove their children from the state educational system, but the authorities had tolerated this. Last October, along with some 30 other women, all dressed in black, they marched in silence for peace along the Alexanderplatz.

The following month, these women, with some others, participated in a torchlight march past the American Embassy in East Berlin, and sent a letter to the deputies in the Bundestag in Bonn during the parliamentary debate on the installation of the new NATO missiles. In short, they were among the most active elements in the East German peace movement, which although pessimistic about its potential for winning satisfaction for a concrete demand, had succeeded in shaking rather large sectors of the population out of the resigned apathy which had up until then characterized a docilely silent society focused inward on its relative material comfort.

What will remain of this movement? The installation of the Pershing IIs in the FRG was seen, as it was in the "other Germany," as a major reverse for the peace movement. But precisely because its capacity for public expression was vastly more limited than is the case in the FRG, and because it was above all a movement of contemplation and discussion here, it did not suffer, as happened in the West, the upset of an activism suddenly deprived of its scene for action.

#### The Best Safeguard--The Church

The East German pacifist groups, on the other hand, were more exclusively focused on the issue of the installation of new weapons in the West and the East, and the peace issue gave rise to a broader debate, focused above all on the militarization of the East German society. But it was also focused on the condition of women, education for children, ecology, the rights of man



and society in general, although the church has tried, within the limits of its control over this movement, to prevent its exclusive orientation toward a single one of these themes. In intellectual circles, after the hiatus which followed the expulsion of Wolf Biermann in 1976 and the voluntary or forced exile of all those who protested on his behalf, new critical factions have appeared, in particular among the very young writers.

This movement was only able to develop because the state was generous with its encouragement of Western pacifists, and it was predictable that the repression would be harsher as soon as East Berlin no longer could expect anything of them. The fact remains that the church, which has sponsored the majority of these peace initiatives, and which the East German state cannot allow itself to attack frontally, remains the best guarantor protecting this critical culture which has emerged in the GDR in these last 3 years.

When one of the pastors involved was asked what this movement can still hope to achieve, he answered: "A snowflake weighs nothing. But there comes a moment where one more snowflake, because it is added to the millions of others, forces the bough to bend."

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## GENSCHER LINKS SECURITY TO ECONOMIC POLICIES

Munich EUROPÄISCHE WEHRKUNDE in German Feb 84 pp 64-70

[Text of lecture delivered by Foreign Minister Hans-Dietrich Genscher to the Gesellschaft fuer Wehrkunde (Society for Military Science) at Wuppertal on 20 December 1983]

[Excerpt] As part of a long-term peace policy, economic relations provide an important contribution to the steadiness and stability of the political relationship between West and East. Therefore we reject all thinking in terms of a trade war as incompatible with the goal of detente and cooperation. West and East must combine their efforts to jointly bring about the well-being of the present and future generations.

This also includes that we cooperate in preserving our natural foundations of life and develop overlapping regulations for environmental protection. The Federal Government will invite 34 states in all of Europe and North America to a "1984 International Environmental Conference in Munich" on air pollution, and damages to forests and bodies of water. Thus it wants to provide a strong impetus to West-East cooperation in environmental protection.

Europe must now become an example of the desire for cooperation across ideological borders. Time and again in the past, it was torn by wars and frequently it was the starting point for wars that involved other parts of the world. Today we Europeans are called upon to direct all our efforts toward building a peaceful order for Europe.

For us such a European peace policy at the same time is a Germany policy in the best sense of the term. To ease the effects of Europe's division and finally to overcome this division completely means the same thing also as regards the partitioning of Germany. Therefore we are linking our national question with the fate of Europe.

This connection makes us the driving force of the unification process in the EC and committed advocates of dialog and of cooperation between East and West.

We pursue European policy without ever forgetting that Germany and Europe do not end at the Elbe or the Werra. We make every decision conscious of the fact that Germans and Europeans are also living on the other side of those rivers. A



community of responsibility for peace links us to our fellow citizens in the GDR.

Both governments must cooperate to reduce tensions and develop their relations constructively for the benefit of the people in both parts of Germany.

Renunciation of force, moderation, and caution, those are the principles of political behavior without which stable West-East relations are inconceivable.

The principles are universal. They must be applied not only in Europe, not only in the West-East relations, but also in the Third World.

There, too, conflicts must be settled nonviolently. In this connection, the right of these states freely to choose their internal order must be respected. In case of regional conflicts the attention should be directed more strongly at the social and economic roots and not exclusively at the rivalry of foreign powers attracted by the tensions. We are not striving for spheres of influence and reject transfer of the East-West antagonism to the Third World.

Instead we are supporting efforts to fend off foreign hegemonial striving through true nonalignment and to preserve independence and identity. This applies especially also to all efforts for regional federations and regional cooperation.

#### Europe Must Break the Impasse

The European perspective is of extraordinarily great political importance to our divided country. We need the federation of the European democracies. Only a united Europe can make its voice respected in the World. We combine our national hope for overcoming Germany's partition with Europe's hope of overcoming the moat running through Europe.

The national idea and the European idea must not drift apart. Hope for Europe must remain alive in our people and especially in our youth. Our neighbors should be interested in that, too. In the long run, the political commitment to Europe is more decisive than market regulations and budget questions, however seriously these may also have to be taken.

After the failure of Athens we are going to undertake all efforts to achieve a final result of the negotiations as part of a fair balance of interests and a balanced overall solution. We must do everything possible so that the next meeting of the European Council will break the impasse of the Community.

We need Europe economically: roughly half of our exports goes to the EC, over two-thirds to Western Europe as a whole. Thus we are vitally dependent on growth and prosperity of our European partners.

But above all we need Europe to cope with the technological challenge and to safeguard our future as an industrial state. Our country and all other West European states can maintain and increase their prosperity only if they can catch up with the "third industrial revolution" emanating from the United States and Japan.

No European country, not even the FRG, is able by itself to survive the technological competition with the United States and Japan. Only the EC as a whole would have the research and industrial capacity necessary for successful competition and the necessary market size.

I said: "would have," for the reality unfortunately looks this way: there is no joint research in the strategic fields of microelectronics, biotechnology, and new materials.

The research of the Europeans is fragmented, wastes its efforts in double and triple work. Especially we have no common market for top technologies. They are hindered not only by different norms but especially by official procurement policies: each member only purchases from its own industry if possible.

Thus What Changes Have to Be Made?

First of all, we must achieve joint research efforts in the strategic areas of the top technology. Secondly, we must increase our efforts to harmonize existing national norms. In the case of high technology products, we should arrive at European norms from the start. Thirdly, especially as regards top technologies we must gradually achieve joint public procurement.

Unless we create a European home market for top technology, the struggle for the world markets cannot be carried out with any prospect for success.

Europe is among the leaders where it conducts joint research, such as in high-energy physics or nuclear fusion. And wherever Europe has joint production, such as in the case of the Airbus, ARIANE, some high-technology weapons systems, it can keep up with the competition. We still have the resources to catch up with the United States and Japan in the top technologies.

What is crucial is that we accept the challenge, that we accept it now before it is too late. We can cope with the challenge if we want to do so. In this connection we can do without the complaining cultural pessimism which unfortunately is encountered all too frequently here. What we do need is a conscious and firm yes to progress and technology, to innovation and risk. We need a spiritual change in our society that guides us from the demanding society to the responsible society.

Only such a society will do justice to the demands that will confront us.

We Have no Reason for Pessimism at the Threshold to 1984

The West is capable of defending itself and willing to defend itself. On this basis it is ready for disarmament and cooperation with the Warsaw Pact states. It possesses a dynamically progressive technology and a broad economic basis, whose problems--in contrast to the East--result more from a surplus than from a shortage of productive forces.

Its pluralistic social order guarantees a unique measure of freedom, self-realization, and social justice for the individual and for the individual groups

of society. The West need not be afraid of either the intellectual dispute or the attempt at an agreement with the Warsaw Pact states. Therefore, to maintain the security of the West means especially to see to it that this heritage is not squandered. By maintaining it, by creatively using it to overcome the new challenges, we offer the people in West and East no cause for fear of a war but the positive vision of a peaceful future without force and without oppression.

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## SOCIALISTS' PREPARATION OF NEW PARTY PROGRAM ADVANCES

Helsinki HELSINGIN SANOMAT in Finnish 17 Feb 84 p 12

[Article: "Report on Program of Principles: SDP Modernizes Its Sacred Theses"]

[Text] The Social Democrats, in the report of their committee on the program of principles presented on Thursday, are boldly addressing their sacred theses and their usual thoughts on activities.

The intention is to accelerate discussion about a new program of principles for the party, which will replace the present program dating from 1952.

The "Discussion Materials for a Program of Principles," running to some 200 typewritten pages, which the party committee of the SDP [Social Democratic Party] has approved, is perhaps the most self-critical study that the party has ever published about itself. In it many of the SDP's central thoughts about activities and attitudes are placed in question.

According to the report, the policies of the working-class movement have placed too much faith in the beneficiality of economic growth and technical progress. The drawbacks of these things have not been seen early enough.

The policies of the Social Democrats up to now have been built to a considerable degree on the assumption that economic growth will continue strongly and evenly. Although the growth optimists have been right until recent times, we are now facing a new situation. Prospects for continued quantitative growth have become uncertain and even unlikely.

The World is Changing--Likewise the SDP

People have begun to become aware of the finiteness of natural resources. This appears especially clearly in the energy problems of a welfare state and in environmental pollution, the report points out.

Prime Minister Kalevi Sorsa, chairman of the committee on the program of principles, said in summary that changing circumstances are forcing the SDP to reevaluate many of their central theses and activity programs. The world has changed, and the thinking of Social Democrats will also have to change.

But Sorsa stressed the nature of the report as a discussion item. It is not yet a question of creating a new program of principles, but a discussion paper. Instead of ready answers it limits itself to outlining today's challenges for the Social Democrats.

A new program of principles is supposed to be ready for the 1987 party congress. The interim report now published is meant to speed up the preliminary discussion on program work for next June's party congress. Almost 30 members participated in preparing it, and in addition some twenty experts were heard.

The report emphasizes a shift from a period of material welfare policies to more and more policies involving the quality of life. When people's basic material needs begin to be satisfied, matters concerning the quality of life become more and more central.

Social democracy must examine its attitude toward continual expansion of the public sector. Growth of public authority does not automatically solve problems, but it easily creates new ones. People are starting to fear a welfare state. Besides, there is no prospect for conditions to finance a continually expanding public sector.

The report shakes up traditional theses about the party's attitudes on Marx, socialism, and socialist planned economy in a very unprejudiced manner.

#### Marxism Only One Theory

Social democracy is no longer seen as being built only on the basis of Marx's theories. It has chosen for its basis "a many-valued world view and a scientific openness." Socialism is not seen as a dimly visible utopian society of the future, but as a more general movement for change, a continual policy of reform.

It says about socialization: "that the transfer of the means of production to ownership by society should no longer be presented as such a single general goal for solution as in the present program." But it does not advise that that route be rejected altogether either.

The nationalization of enterprises that act in accordance with market principles and are standing on their own feet is not justified. Rather, it could be considered in the case of financial and insurance institutions and pharmaceutical industry and businesses.

The report sets as a goal the development of social democracy instead of national socialism and in the direction of increased citizen democracy. The present parliamentary democracy is not seen as offering the citizens sufficient independent opportunities for influence. As an example it mentions joint-action funds for enterprises as a Finnish model for wage earners.

The report does not take a direct stand on the question of increased use of nuclear power, which is dividing the Social Democratic Party. It is admitted that nuclear power is fraught with many problems, but on the other hand the finiteness of natural resources and the pollution problems of fossil-energy sources are recalled.

## BRIEFS

SPY FOR USSR SENTENCED--Last Thursday, the Finnish Supreme Court sentenced an editor and former TV reporter to 8 months' imprisonment for espionage. The sentence imposed on the reporter, Matts Dumell, 32, is based on the provisions of the Finnish penal code governing treason. Dumell used to work for the Swedish-language TV news program in Finland and acted for a short period of time as the Finnish-language news program Kauppalehti correspondent in Stockholm. He is now working as an economics editor at the Swedish-language HUFVUDSTADSBLADET. The Finnish Supreme Court did not provide any details in connection with the sentencing seeing that information in connection with cases of this nature is classified. Dumell has denied the charges but has admitted that he has had contact with Soviet diplomats who, in the opinion of the Finnish police, are agents of the Soviet intelligence service, the KGB. [Text]  
[Copenhagen BERLINGSKE TIDENDE in Danish 9 Mar 84 p 4] 7262

CSO: 3613/106



## CPN CONGRESS FAILS TO RESOLVE DIFFERENCES

Rotterdam NRC HANDELSBLAD in Dutch 6 Feb 84 p 3

[Report by Editor Hubert Smeets: "CPN (Communist Party of the Netherlands) Henceforth will Also Rely on Feminist Views and Theories"]

[Text] Amsterdam, 6 Feb--Diligent attempts by Marcus Bakker to unite the CPN under his motto that the communist party should remain "marxist" and "prepared" were to no avail. For 2 days the former member of parliament, who had been a member of the Second Chamber for the CPN for over 25 years, searched for a formula for the new constitution of the CPN with which nearly everyone could identify.

The fact that the orthodox regular communists, who stand directly behind the Soviet Union and marxism-leninism, as well as the radical revisionists, who strive for a gradual fusion with the PSP [Pacifist Socialist Party] and PPR [Political Party of Radicals], would split off was taken into account.

However, when votes on the principles of the constitution of the communist party were finally taken last night, Marcus Bakker remained empty-handed. His attempt to avoid an open parting of the minds had failed.

Instead, the contrast between the communists who wanted to keep marxism intact as the first and foremost stipulation and the party members who wanted to continue with the revision of the CPN which was started last year became even more pronounced.

During the chaotic final phase of the 2-day party congress of the CPN, Bakker even kept aloof from the voting activities. He didn't participate either in singing the International [battlesong], initially started by an angry opponent of the revision who had come equipped with a megaphone, but then taken over by the entire hall.

After the congress was over, the radical revisionists seemed moderately optimistic. Before the congress they had feared that the old party leadership of the CPN, with Marcus Bakker as its pivot, would try to turn the decision-making to its favor behind the scenes. They had foiled that. Moreover, these revisionists were not unhappy about the fact that they had succeeded in further importuning the antipodes of the general debate, who want to turn back the process of the past years, around the politically attractive theme of "feminism."



After a day in which plenary sessions could hardly be held at the congress due to the numerous separate meetings and informal "consultations," they managed, with a very small majority, to get the congress to agree that the CPN henceforth would not only "build on marxist views and theories but also on feminist ones."

### Sharpened Knives

On Saturday, the first day of the congress, everything promised to proceed well even though there was fierce criticism, by pure communists, of the party executive's draft constitution, in which the leadership had committed itself to "a democratic, humanitarian-progressive, peace-loving and freedom-loving socialism," which caused them to jump to further conclusions. However, emotions stayed within reasonable bounds.

During the course of Saturday night, however, when the meaning of marxism came up for discussion, knives were being energetically sharpened.

The rumor started going around that the Groningen district--after Amsterdam the main stronghold of the CPN--would leave the congress in a conspicuous manner if justice were not done to the unshakable theoretical foundation of marxism.

On Sunday morning, while the first compromise texts were already being put on paper behind the scenes and pressure on well-known party members to support those was being increased, the atmosphere gradually became tense. Amsterdam construction worker Willem Jansen, a well-known activist at Stopera, refused to stick to the 4 minutes of speaking time allotted to him. When the chairman stopped him, and he was unable to complete his passionate plea for marxism, he walked over to the chairman, tore up his membership card and said to party leader Karel Hoogkamp: "You're the only worker among this riff-raff." Back at the podium, he deliberately poured the water from the jug into the flower display in front of it, for otherwise it would simply be added to the wine.

In the hall, tempers also became overheated.

During subsequent separate meetings of district delegates, in which the compromise on the role of marxism really was to be prepared, differences were even further sharpened. Especially the division in the 250-member delegation from the capital proved to be unbridgeable.

"No one wants a rupture, but that is unavoidable now," predicted ABVA [General Association of Civil Servants] KABO [Catholic Association of Civil Servants] leader Bob Vrins, who was also active in the general debate. The radical revisionists did not make an attempt to conclude a compromise either. "Repressive tolerance" according to Hanna Molin, a communist since the thirties but, in contrast to many of her contemporaries, now a passionate advocate of the radical wing.

Joop Stout, the famous Amsterdam dockworker who always manages to unite people in the CPN, momentarily made a little impression with his warning that "things would explode" during the voting. However, the parties soon went back to their own positions.

At four o'clock Sunday afternoon the congress had not advanced one step since the beginning of that day. One was waiting for the "white smoke" which, according to party secretary John Geelen, would come from the conclave of the commission working on the compromise text on behalf of the leadership. When that text was distributed after some time, the confusion was complete. Especially the women's groups felt passed over because the subject of feminism had been done away with. Henceforth the CPN would "continue to build" on marxism and "be open" to feminism, the text read. "No equal billing but inferior billing" was the diagnosis of the women's groups.

Henk Hoekstra

The radical revisionists did not feel unhappy about that. Unknowingly the commission had brought out a discussion through this which, so far, had not been explained enough in the debate on the explanation of the meaning of marxism. The difference suddenly was becoming more political in nature.

The discussion within the Amsterdam delegation, which, with 1/3 of the votes, has a decisive influence on the CPN congress, became very heated because former party chairman Henk Hoekstra suddenly got involved in it. Until Sunday afternoon he had not opened his mouth at the congress. He got many people on his side with his plea to the delegates from the capital to endorse the feminist demands. "I will continue to defend my marxist views in the party, just as I expect others to continue to defend their inspirational sources, on the basis of which they will arrive at the same choice as I. That is the duty of every communist," said a very emotional Hoekstra.

Early in the evening, after some procedural pleading, the congress accepted that the new addition of the Amsterdam delegation should be included in the compromise text. But with that, a compromise was out of the question.

The Groningen district was willing to support the original compromise. Under the leadership of ex-strike leader and ex-party leader Fre Meis, the district wanted to avoid, at almost any price, ending up on the wrong side of the dividing line. The district takes the position that, with the election of a new party executive, power could still be seized in about a year, as Meis expressed it.

However, a potential success of the amendment of the Amsterdam feminists and revisionists was still causing trouble. "The last straw," said Groningen District Secretary Geert Lameris. With that, the ranks of the opposition once again closed against the draft constitution.

After the congress was finished, Party Chairman Elli Izeboud looked back to the content of the congress with satisfaction. "It was predicted beforehand that the party would take some steps backward. That absolutely did not happen," she said with respect to the results of the first 2 days of the unusual congress, which has to be continued next Sunday due to yesterday's enormous delay. However, Elli Izeboud did not really look very happy about it all.

## ORIGIN, INTEGRATION, RETURN OF FOREIGN WORKERS

Amsterdam DE TIJD in Dutch 27 Jan 84 p 42

[Article: "Foreigners Return To Native Country"; author indicated by initials "hbr"; passages enclosed in slantlines printed in italics]

[Text] During the Sixties and (particularly) the Seventies, the number of foreign employees increased by enormous jumps. Foreign workers came from Turkey and Morocco particularly, as there was plenty of work for them, initially. Their families followed. Now, however, the flow has stopped, and there is even a movement in the other direction, back to the native country.

During the 1940's, there were not even 100 /Turks/ in The Netherlands, in 1971: 30,000; 1975: 63,000; 1981: 139,000; on 1 January 1983: 154,000, and according to the latest figures 148,000.

Before the 1960's, there were hardly any /Moroccans/, but in 1971, there were 22,000; in 1981: 83,000; on 1 January 1983: 102,000; according to the latest figures 93,000. The number of /Spaniards/ had in 1971 increased to 28,000, in 1975 they numbered 31,000, on 1 January 1983: 23,000, and at the moment there still are 21,000. The Spaniards in particular reemigrate.

Decades ago, there were already some thousands of /Italians/ in our country (the famous ice cream vendors and chimney sweeps), but in 1971, there suddenly were 18,000, on 1 January 1983: over 21,000, and now, there still are 21,000.

Finally, the /Yugoslavs/: 1971: 8,000; 1975: 13,000; 1984: 14,000.

Altogether, in 1983 there were 547,000 foreigners in The Netherlands, among whom in addition 10,000 Indonesians; 8,000 Chinese; 6,000 Vietnamese; 44,000 West Germans; 41,000 British; 24,000 Belgians; and 10,000 Americans.

The foreign employees are mainly concentrated in industry. Forty-two percent works in the metal, the electronics, and the automotive industries; 17 percent in the food, and spirits and tobacco industries, and 9 percent in the textile and garment industries. Many foreigners are found in the service professions as well, particularly in health care.

The /unemployment/ among foreign labor is high (35 percent of the labor force, or 86,000 workers. By comparison: total unemployment in The Netherlands is 825,000, 17.7 percent of the labor force). Of the 148,000 Turkish workers, 21,000 do not have a job; of the 93,000 Moroccan workers, 12,000 cannot find work. Fifteen thousand Surinamers with a Dutch passport, 2,200 Surinamers with a Suriname passport, 3,700 Netherlands Antilleans, and 5,600 Moluccans are registered as unemployed as well. Because of the increase in unemployment, the immigration from Turkey and Morocco has decreased and the number of people who reemigrate is going up.

More than half of the foreigners live in municipalities with more than 100,000 inhabitants, particularly in Amsterdam and Rotterdam; 24 and 29 percent live in the provinces of North Holland and South Holland respectively, 12 percent in North Brabant, 8 percent in Limburg, 8 percent in Gelderland, 7 percent in Utrecht, and 6 percent in Overijssel. In Drenthe (0.7 percent), Friesland (1 percent), and Groningen (1.5 percent), the number of foreign workers is negligible.

Of the Italians, more than half (56 percent) speak Dutch well, of the Spaniards, Portuguese and Yugoslavs, almost a third (30 percent), and of the Turks, 31 percent. The Moroccans have more problems with the Dutch language: 55 percent speak the language badly, and only 9 percent can make themselves well understood.

Finally, education: 92 percent of the Turks and Moroccans are unskilled. (Italians: 50 percent; Yugoslavs: 45 percent; Portuguese: 54 percent; and Spaniards: 56 percent.)

Sources: Central Bureau for Statistics, Ministry of Internal Affairs, and Ministry for Social Affairs.

12568

CSO: 3614/39

## COUNTER-ESPIONAGE POLICE CHIEF ON EAST BLOC SPY RECRUITING

Oslo AFTENPOSTEN in Norwegian 23 Feb 84 p 22

[Article by Helge Sørensen: "Counter-Espionage Chief Erstad Regarding East Bloc Delegates: Extensive Recruiting Attempts"]

[Text] "It is not my intention to claim that everyone who has contact with the East Bloc's legal delegation is in danger of being recruited as an agent. But if East Bloc delegates think that the possibility of recruitment exists then they attempt it. To begin with, this takes place often in the form of small gifts and visits to restaurants." This was said by Counter-Espionage Police Chief Jostein Erstad in his address entitled "The Counter-Espionage Service--Its Work and Duties," when the Folk og Forsvar [People and Defense] organization held its annual meeting on Wednesday morning. Foreign Affairs Minister Sverre Strøm was also among the many interested listeners in the halls of the Military Academy.

Erstad emphasized that it was important that people who were exposed to such recruiting attempts reported this to the Counter-Espionage Service.

"I would characterize it as strange if the East Bloc's intelligence activities were not stepped up in the future." Erstad's intent was to be able to demonstrate a steady increase in espionage activity with a constantly greater geographical spread and with different security and military-policy significance.

He also went into international politically motivated terrorism and said that this is a phenomenon which largely speaking we have been spared from here at home. However, he asserted that this was a situation which could change relatively quickly.

"The oil installations in the North Sea represent a very weak spot. We can become involved in connection with an attack on a foreign delegation or an attack in connection with a government visit, and a plane can be seized and forced to land in Norway. International terrorists could be apprehended and jailed in Norway. This is a situation which we must be well prepared for, and at the same time these are aspects which occupy a good deal of our work," Erstad said.



The counter-espionage chief made a summary examination of the experiences the Counter-Espionage Service had in connection with the procedures the Soviet intelligence organizations the KGB and GRU used in order to procure information. For this purpose he went into the so-called lead-on officers--intelligence officers who under cover of their diplomatic status attempt to obtain information by recruiting agents in Norway.

"This concerns intelligence personnel with extraterritorial rights, and these can travel almost unlimited in Norway with a plausible excuse. The Counter-Espionage Police has on several occasions expressed the desire that travel restrictions be placed also on those diplomats who are not attached to the military attache's staff. These have to state their itinerary, the time of the trip and its duration in advance. In contrast with many other NATO countries, however, such restrictions applying to all diplomats have not been introduced in Norway," Erstad said. Foreign Affairs Minister Sverre Strøm made the comment regarding Erstad's statement that it would be a very unusual step to go through with such restrictions on the activities of foreign diplomats in Norway.

Other methods which Erstad called attention to were the use of intelligence personnel who under the cover of another legal activity--for example, as employees in a trading firm--attempt to recruit agents. Often this takes place by exploiting an individual's weaknesses. This can concern alcohol problems, love relationships or other means of exerting pressure.

"It does not occur very often that ideological convictions are the motive for allowing oneself to be recruited. Most often economic motives are behind it," the counter-espionage chief said.

"In addition, we have the so-called illegal residents--intelligence officers who under a false identity and other cover operate in order to obtain information. They often have another job or form of engagement as a camouflage for their real activity. This group has the advantage that it can continue its work in times of crisis, when diplomatic cooperation has broken down," Erstad said.

The counter-espionage chief thought that it was important to regard the Counter-Espionage Service as an integral part of the remaining police, and not as a special police department. That this service is a secret service is a truth with modifications, Erstad believed. He referred to the fact that the service is performed according to a general unclassified directive which each and everyone can obtain, at the same time as the service's duties are duly discussed in Storting reports.

"However, it can be said that the service is a closed one, because it gives people outside limited access to a view inside. The primary objective is to look after the security of the kingdom. Because of the distinctive nature of our duties, we would not be able to succeed if the service were just as open as other services," Erstad said.

"As far as the so-called personnel control service is concerned, it is most important for us to obtain information as a guarantee of the safety of an individual's gaining access to view classified documents and information. It can be asked whether the individual has any guarantee that this information will not go astray or be misused. To this I will answer a distinct 'yes.' We have a number of restrictive rules, and not least important is the government-appointed watchdog committee which examines all aspects of the Counter-Espionage Police's activities and can obtain any information it wants regarding our work," Erstad said.

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CSO: 3639/79



## BRIEFS

REFUGEE CAMPS SET UP--Such large numbers of refugees are now arriving in Sweden that the Swedish authorities have decided to set up special refugee camps to accommodate them. Last Thursday, the Social Democratic Swedish government decided to grant funds from the National Swedish Labor Market Board, the AMS, for the establishment of such camps. No decision has as yet been made where to locate the camps. However, municipalities willing to accommodate the refugees may apply for funds from the AMS for the setting up of refugee camps. Last year alone, 1,000 Iranians, Iraqis, and Lebanese arrived in Sweden as refugees. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 9 Mar 84 p 4] 7262

CSO: 3613/106

## HAGGLUND DISCUSSES RESULTS OF NUCLEAR WAR FOR FINLAND

Helsinki HELSINGIN SANOMAT in Finnish 12 Feb 84 p 9

[Article: "Colonel Gustav Hagglund: Nuclear War Destruction Would Also Affect Finland"]

[Text] It would be very unrealistic to hope that Finland could remain completely apart from a nuclear war, if such should start in our part of the world. One cannot expect miracles from Finland's Air Force in the circumstances of a nuclear war, emphasized Colonel Gustav Hagglund in speaking of Saturday at the Security Policy Meeting held in Tuusula by the reserve organizations.

In Hagglunds' opinion the destructive influence would, however, be limited and not infinite as in the case that we become a target of nuclear weapons through neglect of military defense or through other political errors.

Colonel Hagglund pointed out in his presentation on nuclear weapons and questions of the defense of Finland that the defense forces are not capable of preventing or waging a nuclear war.

"If a nuclear war once starts, it is more a matter of civil defense than military defense of the country as we see it. By keeping our area under our own government and by preventing its use for purposes of nuclear war we can however, significantly reduce the probability that nuclear weapons will be used against us," Hagglund said.

Foreign-affairs counselor Jukka Valtasaari stressed the fact that actually the Nordic region has always been free of nuclear weapons. All of the countries in the area have attempted, within the framework of their own decisions on security policy, to eliminate the uncertainty that would result if the area would fall within the sphere of influence of nuclear-weapons strategy speculation.

9611

CSO: 3617/94

## ARMED FORCES CHIEF VALTANEN ON NUCLEAR WAR, CRUISE MISSILES

Helsinki UUSI SUOMI in Finnish 1 Feb 84 p 40

[Article: "Valtanen Stresses Importance of Our Nuclear-Weapon-Free Neighboring Area: Our Defense Extends to Gaining Time"]

[Text] On Tuesday at the Paasikivi Society, Armed Forces chief Gen Jaakko Valtanen said that Finland's means of defense do not permit us to plan our defense on the basis of a possible nuclear war.

Valtanen said that from the standpoint of our defense it is of primary importance for us to make an effort to turn our own neighboring area into a nuclear-free zone that the superpowers pledge to respect.

"The Armed Forces are doing everything in their power to maintain surveillance over and defend our air space against any violations of it," Valtanen said. According to him, the aiming of nuclear weapons through our air space at cruise missiles, for example, is a source of constant concern.

Speaking at the Paasikivi Society on Tuesday, Valtanen remarked that it is really hard to conceive of air defense systems and combat situations in operation under the conditions existing in a nuclear war. He assured us that in spite of this we will develop our air defense within the limits permitted by our means of defense.

According to Valtanen, the escalation of nuclear weapons in general and the inclusion of their potential use in superpower strategies are a source of constant concern to us.

According to Valtanen, the toughest test of the Armed Forces crisis control mechanism would naturally be a situation in which, in spite of all efforts, prevention of a conflict has failed and our country becomes the target of military operations.

"In that case the implementation of our entire defense potential would be involved, in addition to which the Friendship, Cooperation and Mutual Assistance Pact would offer alternatives in varying degree to strengthen our defenses," Valtanen said.

According to Valtanen, the initiation of hostilities would mean a chance to gain time and thereby freedom of action for the country's political leadership. This in turn would mean opportunities to make political decisions by means of which peace could be restored while preserving the country's freedom and independence.

"If we were to actually get involved in situations in which our defense capability is tested, we cannot imagine that we would go to war under just any circumstances and for an indefinite length of time. It may, however, be realistic to say that with our present material resources we can, even in the most difficult of situations, gain a certain amount of time; but the time we gain will be short.

"No one is capable of giving reliable advance estimates of the amount of time we would gain. We can therefore only hope that our other crisis control measures are sufficient," Valtanen said.

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CSO: 3617/91

## CONSERVATIVE PAPER COMMENTS ON VALTANEN'S ADDRESS

Helsinki UUSI SUOMI in Finnish 2 Feb 84 p 2

[Editorial: "Valtanen's Analysis of the Situation"]

[Text] As is common in the Western countries, our Armed Forces have also been the subject of critical national debate. While the need for that establishment is generally recognized and it is also valued, our Army's capability has given rise to much debate, not the least of which over a possible nuclear war period. Armed Forces chief Jaakko Valtanen's address before the Paasikivi Society has corrected misconceptions and made clear the Armed Forces' job.

According to Valtanen, Finland would appear to be situated in its own individual niche in Europe's military policy environment, one in which enormous numbers of soldiers and arms technology are facing one another. A small, neutral country can come out of the situation fairly well in even this atmosphere of armed readiness. But only on condition that our means of defense, which are in themselves insufficient, be directed against the right places and that we see to it that we obtain maximal effectiveness with precisely thought-out actions.

The Armed Forces chief's ideas also tell us that a new era has changed people's expectations of their army everywhere. "Crisis control," not downright engagement in war, has become of foremost importance. Military actions more and more consist of exerting one's influence and threats and armed forces are more prominent crisis regulation and control mechanisms than actual means of warfare.

It should be noted that this trend of development does not change the position of Finland's Armed Forces, nor does it reduce the importance of a strong army. On the contrary, it may offer certain advantages for the country's security policy in the case of Finland.

Commander Valtanen painted a realistic, but nonetheless optimistic picture of Armed Forces potential. He not only spoke of the relative effectiveness of our Armed Forces, but portrayed the defense establishment as a fixed part of the Finnish democratic system, something people in some quarters occasionally attempt to dispute. The president, the government and the Defense Ministry,

the Defense Council, which functions in a parliamentary manner, and Parliament not only associate with the Armed Forces in its capacity of watchdog; they hold security and defense policy leaders firmly under their control.

We got the impression from Valtanen's speech that he wants to especially stress the importance of a flow of information on military policy. The idea behind this may be that in a country like Finland there is even a particular benefit to be derived from early prediction of situations that may arise in the future. This is also a cheap operation in comparison with the procurement of massive weapons systems. Of course, the speed with which actions to combat an attack are launched depends on effective surveillance; so, insofar as surveillance is technically behind the times, it must be rapidly improved.

The analysis presented at the Paasikivi Society also points out that the fear of war and the arms race are politically and economically exploited throughout the world to create an atmosphere of fear. The job of Finland's Armed Forces is to through its existence combat hysteria and eliminate speculation about our territory.

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CSO: 3617/91



## AIR FORCE TAKES DELIVERY OF THIRD FOKKER F-27 CARGO PLANE

Helsinki HELSINGIN SANOMAT in Finnish 12 Feb 84 p 8

[Article: "A Third Fokker to Utti"]

[Text] The Air Force's third Fokker soldier-carrying plane was flown to Utti on Wednesday. The present purchase is based on a decision made by the Cabinet a couple of years ago. The Defense Ministry was authorized at that time to purchase from Kar-Air two Fokker Friendship F-27 planes, which had been leased to the Air Force till then. At the same time it was decided to order from Holland a third Fokker soldier-carrying plane, an F-27 400 M.

The 1982 budget contained a purchase authorization for 1982-1984, which concerned replacing obsolete DC-3 planes with new equipment.

The price of all three Fokkers with spare parts and furnishings is about 40 million markkas.

The Fokker purchased from Holland has two turbo-prop engines, each of which has about 2,000 horsepower. The speed of the plane is 500 kilometers an hour, and its range is well over 2,000 kilometers. The military version has enlarged freight doors. The total freight capacity is over 6,000 kilos or 40-50 paratroopers.

The plane is three meters longer than a DC-3, or 23 meters. The wingspread of both planes is about the same, around 30 meters.

The Fokker is also half again as fast as its predecessor, it has room for 20 more persons than the DC plane, and its total carrying capacity is similarly about double.

The earliest version of the Fokker flew already in 1957. The first flight of the military version took place in 1973. Altogether seven versions of the Fokker have been made, and more than 700 planes have been manufactured so far.

The so-called cargo-plane committee received an assignment at the beginning of the decade to outline how the older DC-3 and Ilyushin-28 planes should be replaced with newer ones. The Ilyushins were eliminated in 1982.

The Air Force still has two DC-3's at this moment, and they will be removed from service during the current year. The planes will probably be sold. One old DC is already in the Flight Museum of Central Finland in Jyväskylä.



## SOCIALIST PARTY VIEWS ON CIVIL DEFENSE, NUCLEAR DETERRENCE

Paris ARMEE NOUVELLE in French No. 9, 4th Quarter 1983 pp 10-11

[Publication of 'Conventions pour l'Armée Nouvelle', a Socialist Party reserve NCO and officer association, whose president is Defense Minister Charles Hernu. The author, Jean Ducret, is retired director of the Criminal Investigation Division of the Paris police.]

[Text] In the sixties our armed forces were equipped with nuclear power capable, thanks to the equalizing force of the atom, to deter any potential adversary from resorting to an aggression that would cause unacceptable destruction in its territory in relation to the stakes represented by France.

At that time, the protection of the population was practically nil in our system of defense.

Two arguments were put forward:

- strategically, deterrence makes civil defense redundant since it ensures a state of non-conflict;
- psychologically, a policy of civil defense would weaken deterrence by undermining its credibility in the general public.

It appears therefore that military thinking hardened into a new Maginot line. The consensus arrived at regarding our nuclear capability further deepened the freeze. Moreover, the recession gave priority to the economic factor everywhere and the cost - efficiency ratio of civil defense became decisive when there was a choice. Mr Barre declared population protection as "useless and expensive." Voices raised in its favor found little echo. The Marcellin report remained without followup. General de Gaulle's government, however, had not shirked the issue but Pompidou's 1964 directive remained unapplied, for lack of resolve and means. Things stayed at the stage of studies - incidentally of great value for the most part - and the inventory of shelters was never carried out. More seriously, it served as a "smoke screen" for the inertia of the authorities. The lack of action was hidden behind the need for secrecy in an area where information of the public must be allowed in large measure since the public is primarily concerned. A few brochures of limited edition were published: in the case of shelters they recommended facile solutions in order to salve their conscience.

Now, because of the developments that have occurred in recent years the doctrine of deterrence alone is obsolete.

The nuclear superiority of the Soviet Union is such that it can carry out a third strike of enormous devastating power, and France would commit collective suicide if, with an unprotected population, it would reply to a conventional or limited nuclear attack by strikes against cities, a component of the strategy of the weak against the strong. Could a president of the Republic deliver his people to the holocaust? The Soviet Union would then have reached its objective: to take Europe intact, a shot across the bow ending in national capitulation. In such a context, the only solution for survival would be withdrawal under the American nuclear umbrella and the loss of our independence. On the other hand, a policy of civil defense will breathe new life into our resolve for a defense that we want to be independent and national; it will mobilize the nation, will revive the concept of total defence which still has no real existence since the current situation imposes on us a defence concept that is purely military. Here is indeed an area where mobilization of the people may find concrete expression.

Besides, deterrence does not have the same meaning for the Soviets as for the West. For the Soviet general staff the atomic weapon is part and parcel of the battle and nuclear war can be won, provided one is prepared. To this end, the USSR equipped itself with an elaborate system of civil defense. Western military thinking focused on Soviet over-armament, forgetting to pay close attention to the effort undertaken in the field of population protection. The head of civil defense is one of the 13 vice-ministers of Defense. His department employs 80,000 full time personnel and relies on a genuine mobilization of the people. The Communist Party plays an active role in it. Realistic rehearsals are frequently organized, brochures in large numbers are distributed free, periodical controls are carried out. Civil defense is based on a coherent doctrine and can boast of concrete achievements. Of course, it has its weaknesses, but its strong points stand firm. The balance of terror is therefore upset. We find ourselves in the position of a soldier armed with a spear facing an adversary armed with a spear and a shield. Deterrence is stabilized.

Civil defense therefore reinforces deterrence and constitutes one of its pillars. This concept, proclaimed many times by the Prime Minister, has become that of the government of the Left which, here again, spoke the language of courage.

Speeches did not remain mere words and the most spectacular implementation is the launching of an operation to make an inventory of premises suitable for shelters as part of a coherent and realistic plan.

The operation consists in listing basements and underground premises present in the infrastructures (cellars, tunnels, grottoes, parking garages...) that could serve as shelters against war risks after certain makeshift rearrangements.

The changes to be made are intended to create shelters with the following features:

- resistance to a pressure of 0.35 bar;
- protection coefficient against radioactivity of 100;
- duration of continuous 48 hour occupation;

hence: reinforced anti-fallout shelters.

This option is justified by the current evolution of the threat: the nuclear charges installed recently tend towards reduction of power in favor of the accuracy needed for anti-missile strikes. As a priority, therefore, the population has to be protected from the effects of radioactivity without neglecting the mechanical or thermic effects or the possibility of a chemical, bacteriological or conventional attack. The reinforced anti-fallout shelters take into account these different threats. As for the populations living near nuclear or industrial targets, their protection is the subject of a separate study.

Premises are registered with the aid of a very simple questionnaire set out in such a way that it can be filled out by the occupants of the building themselves. The procedure is that used by INSEE (National Institute of Statistics and Economic Studies) for the population census, census agents being responsible for the distribution and collection of the questionnaires. It involves the participation of the whole population, local officials, civil defense associations of the Departments and exterior services of the State.

The registration will unfold in three phases:

- 1) collection of data with the aid of questionnaires;
- 2) computer treatment of the collected data which will permit selection, according to pre-established standards, of the premises appropriate to serve as shelters after having undergone certain refittings and to set out for each of the sites a shelter record that will indicate the work to be done.
- 3) on site visits by specialists who will give the necessary advice to owners for the outfitting of their premises as shelters.

The local authorities will then be in possession of a document allowing them to establish a protection plan for the population.

This inventory has been taken in four districts of Ille-et-Vilaine and Haute-Loire. Presently it is taking place in all communities of these two Departements. In 1984 it will spread to 18 other Departements. The whole national territory will thus be progressively covered.

In the field of population protection, the Left has, as in other areas, set in motion a change consistent with and true to its obligations. What remains now is to adapt the means to the concept and to maintain the course in spite of the difficulties.

Jean DUCRET

## BRIEFS

REDUCTION IN CONSCRIPTION PERIOD--Today about 7,000 are waiting to fulfill first-time service in the Defense Forces, and this "waiting list" may increase this year. Yesterday during a question period in the Parliament Defense Minister Anders C. Sjaastad made clear that the drafting of a certain number for shorter first-time service is now being evaluated. Nor did the cabinet minister rule out that recruits may be transferred to the Home Guard after three months of training school. Besides, now is the time to change the conscription of the 19-year-old class. Defense Minister Anders C. Sjaastad came out with these bits of information when, during the question period, he answered a question of Bjorn Erling Ytterhorn of the Progress Party about how the problems one is faced with will be solved. Ytterhorn wanted to know, moreover, if little by little the time may come to reduce the period of military service generally to 9 months and in this way to increase the yearly intake of men, but Sjaastad had serious doubts about this proposal. [By Morten Malmo] [Excerpt] [Oslo AFTENPOSTEN in Norwegian 23 Feb 84 p 3] 12327

CSO: 3639/78

## DESCRIPTION OF WHAT SOVIET MINI-SUBMARINE MAY LOOK LIKE

Copenhagen BERLINGSKE TIDENDE in Danish 9 Mar 84 p 4

[Article by Michael Rastrup Smith: "Crew of Mini-Submarine May Survive for a Long Time"]

[Text] The Soviet Union has several types of civilian mini-submarines; thanks to them, it is possible to get some idea of what its military submarines look like.

On Wednesday of last week a frogman succeeded in escaping from a mini-submarine in the Swedish Archipelago west of Karlskrona. He fled via the north-western island of Almo in the Archipelago.

Since then there have been several attempts at escaping, and, at least once, several frogmen have been sighted near Almo. These are the facts in the hunt for mini-submarines and their crews of frogmen.

If there is still a crew left onboard the mini-submarine which the Swedish Armed Forces believe is bottled up inside the Swedish Archipelago, the situation of that crew is gradually becoming strained, though far from desperate as yet.

Hitherto, it has not been deemed possible for anybody to live confined within a mini-submarine. However, the ideas are gradually changing in that respect. The crew of the mini-submarine is bound to be provided with equipment which has been tested onboard Soviet space vessels which have remained in space for prolonged periods of time. This means that food and other supplies may last for months.

Space tests where crews live under very cramped conditions, such as the conditions of the mini-submarine, have shown that it is possible to survive under very cramped conditions.

Experts have hitherto pointed out that the oxygen of the crew will run out after approximately 1 month. But also in this respect opinions are changing. Mini-submarines, for example, have the possibility of having a snorkel surface during the night. Besides, the air exhaled may be cleansed and re-used.



The worst problems of the crew are the purely psychological ones. It is never possible to state exactly how much a person is able to withstand. And the crew of the confined mini-submarine is really under stress. They are regularly subject to bombings with depth charges and shock charges from the Swedish military.

A psychologist at the research institute of the Swedish Armed Forces and a former Israeli submarine fleet officer and psychologist has himself been on-board a submarine which was hit by Egyptian depth charges. He relates his experiences to the Swedish daily EXPRESSEN:

"First, you hear the splash when the bomb hits the surface of the water. Then come the seconds when you are frightened to death that the depth charge will hit the submarine and cut a hole in it."

"Then there is the bang. That is the worst thing I have experienced. The 29 depth charges which the Egyptians threw at us felt like thousands and the hours were like an eternity."

He comments on the situation within the confined mini-submarine on the basis of his own experience:

"It must feel like being trapped. And if the crew, moreover, has lost contact with the home base or the mother vessel, the uncertainty is the worst thing one may experience."

Another Swedish military expert says that, despite the difficult conditions, the crew may be able to stand it for a very long time, and he points out that it is a question of hand-picked people with at least 3 years of training.

If things go wrong, they have, moreover, been trained to take their own lives rather than surrendering. For that reason, it is very unlikely that the Swedish Armed Forces will have any living evidence of what is going on below the Swedish Archipelago. They say in plain words that they may be equipped with death pills or the like.

The Swedes have definite circumstantial evidence that a Soviet mini-submarine equipped with caterpillar treads operated well over 12 months ago within the Hårse Fiord. They have photos of the impressions made by the caterpillar treads on the sea floor. However, extremely little is known about Soviet military mini-submarines.

On the other hand, a good deal of information is available on Soviet civilian mini-submarines.

The Soviet Union has thus worked with these civilian submarines for the last 20 years. They are, for example, used for inspection of the sea floor in connection with oil and mineral exploration.

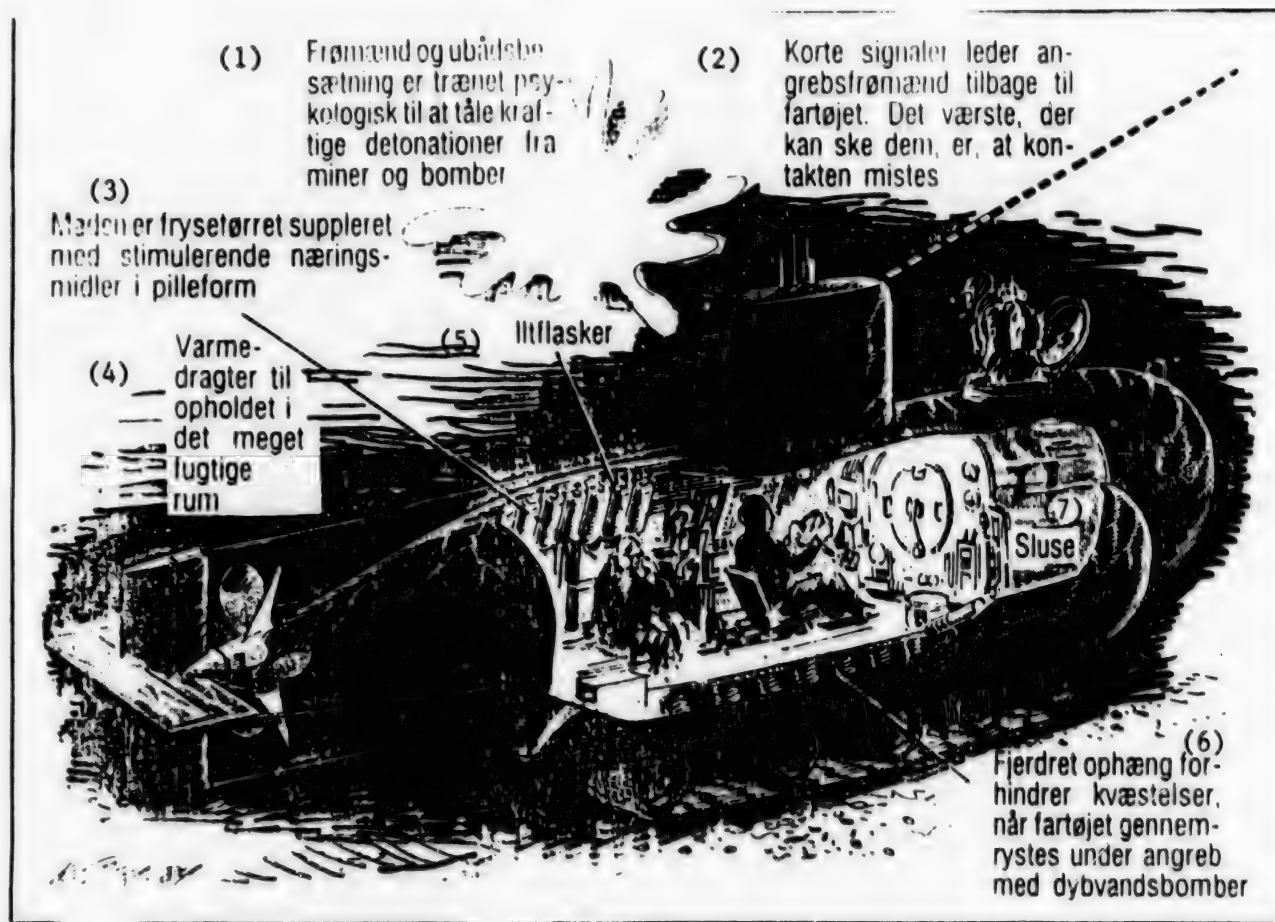
The following civilian mini-submarines are in operation within the Soviet Union at present:

ARGUS, which is equipped with hydraulic grasping arms in the forepart of the vessel, is shaped like an egg.

OSA 3-600 is a round mini-submarine. It looks more or less like a flying saucer. There is a crew of 3 people within the vessel which weighs 12 tons. It is capable of submerging to a depth of 600 meters, and has been sighted, among other places, in the Baltic and in the Gulf of Bothnia.

PISCES 6 and 10 is best known because the Soviet Union has purchased the mini-submarines in Canada. They are equipped with hydraulic arms and may submerge to a depth of 1,700 meters. The vessels are 6 meters long and 3 meters wide and have crews of 1-3 people. According to information obtained, they are equipped with a number of sensors, stereo cameras and data equipment.

TINRO 2. This mini-submarine has a crew of 2 men, and its hull is of a traditional design. It is capable of submerging to a depth of 400 meters.



Imagined Configuration of Mini-Submarine

Key:

- (1) Frogmen and submarine crew have been trained psychologically to withstand powerful detonations from mines and bombs.
- (2) Brief signals guide attack frogmen back to vessel. The worst thing that can happen to them is that they lose contact.
- (3) Food is freeze-dried and supplemented with stimulating nutrition in the form of pills.

- (4) Warm suits for stay in the very damp space.
- (5) Oxygen bottles.
- (6) Spring suspension prevents injuries when vessel shakes when attacked by depth charges.
- (7) Watertight compartment.

7262

CS0: 3613/106

## DANISH SUB FLEET CHIEF: NAVY WILL NEVER CATCH INTRUDERS

Copenhagen BERLINGSKE TIDENDE in Danish 10 Mar 84 p 1

[Article by Michael Rastrup Smith]

[Text] The Swedes do not have a single naval vessel which is capable of fighting submarines. They lack large vessels from which it is possible to detect, pursue and fight submarines. Without such vessels, one is powerless, says the Danish sub fleet chief.

Sweden may thank its defense minister, Anders Thunborg (Social Democratic Labor Party) for the fact that the country is extremely ill-equipped to combat intruding foreign submarines, prominent Swedish defense experts tell BERLINGSKE TIDENDE.

Last Thursday, the Swedish navy presented evidence showing that they had pursued an unknown submarine for 1 hour on 26 February. But, at the same time, they admitted that even if both the submarine salvage vessel "Belos" and a shore station for controlling mines had contact with the submarine, they were unable to render it harmless.

The reason is that "Belos" was not able to direct the armed helicopter to the submarine. For that, a frigate that is large enough to have a control center onboard and which has plenty of space for weapons is needed. Sweden, however, has got no frigates left in that the ministry of defense in 1972 decided to get rid of the Swedish frigates and to start using some other method for combatting submarines. The initiative for the decision was taken by Sweden's present Social Democratic defense minister, the under-secretary of state for defense at the time, Anders Thunborg.

A Danish expert on submarine combat, Commander Hans Fink-Jensen, finds that the possibilities of the Swedes for effectively hitting an intruding submarine are limited:

"To fight a submarine effectively, a combat platform is needed. It must be a ship which is capable of detecting a submerged target, pursue it and fight it. What we are here talking about is a frigate of the Herluf Trolle class or a corvette of the Niels Juel class. The Swedes lack such a large unit and to-day actually have no surface vessel suitable as platform for submarine combat."



## DEHOUSSE, MAYSTADT ON WALLONIAN ECONOMIC DECLINE

Brussels LE SOIR in French 14 Feb 84 p 2

[Interview with Budget and Science Policy Minister Philippe Maystadt and Walloon Regional Government President Jean-Maurice Dehousse by Janine Claeys and Guy Depas; date and place not given]

[Text] Minister of the Budget and Science Policy Philippe Maystadt and Walloon Regional Government President Jean-Maurice Dehousse are both too informed on political, economic and social realities to fail to agree on the diagnosis: Nowhere in Europe has the crisis highlighted industrial decline as much as in Wallony. But do their analyses converge when it comes to identifying the causes and pinpointing the responsibilities involved in this situation?

Philippe Maystadt: There is a tendency to confuse the causes and responsibilities with one another. As I see it there are four of them: 1) the conservative reflex that has atrophied the economy of the region as regards transit production with people refusing to go beyond the finished product stage beyond which the real added value is to be found; 2) an inadequate commercial drive that does not permit us to fully upgrade the technical and qualitative competence of Walloon manpower; 3) the lack of private financial power — the holding companies — which, after having amassed profits, has not provided insurance for the future through industrial reconversion; 4) the absence of a Walloon consensus on social, political and even geographical interests that are not always identical.

Jean-Maurice Dehousse: I agree with Philippe Maystadt. But we have to toughen his analysis. The primary source and the primary cause of the decline of the region is the worsening of the Belgian decline that was underlined as early as at the Walloon congress of 1912. The Walloons believed in national solidarity. They were hoodwinked: They have paid for the Flemish infrastructure without receiving anything in return. And instead of providing them with the services they have a right to expect, the government is today even going so far as to turn on them.

[Question] If you had to choose those who are most guilty of this, whom would you pillory first: the labor unions, the holding companies, the political world or people?

Maystadt: The language used by the holding companies is edifying. While it is also their role to demonstrate that they have some imagination, don't they rely on the government to provide them with projects to develop?

Dehousse: The employers are guilty. But if there has been no reconversion in Wallonia, it's the fault of the holding companies. Remember that at the start of this century we used to produce motorcycles and cars. And the world price of glass, it was in Wallonia that it used to be set.

Maystadt: Wasn't it the General Company's desertion that blocked development of the SABCA Aeronautics Company?

The Unions, but also the Flemish Demons

[Question] The holding companies and the employers, to be sure. But what about the other agents of the Walloon world?

Dehousse: If you want to get me to say that the unions share in the responsibility for this, I'll say it. Even though we have to qualify such a judgment — isn't their role to protect their members? — it's true that they too let themselves fall into the easy way of doing things at a time when things were easy to do. But they most assuredly come after the holding companies and the governments that have succeeded one another on the list of those who are being accused. People? We have our internal demons. What are they, however, alongside the demons that attack us from the outside? Flanders is a nation. Perin was the first to say so. And in Belgium the Flemish nation is the only one that functions. Like a steamroller.

[Question] So for you policy and the governments are chiefly responsible for this?

Dehousse: I didn't say that.

Maystadt: The political imbalance between the two communities has certainly not made the search for solutions to the Walloon problem easy. But we've made errors even in Wallonia. And it would be too easy to say that all our woes are caused by other people.

Dehousse: We're in an industrial decline. But don't people realize that someone is bleeding us white?

A Walloon Consensus

[Question] You have both alluded to the Walloon demons. Is the key to recovery regional consensus? And what kind of consensus?

Dehousse: A social consensus is indispensable. But not just any consensus, nor at any price. Without profits there would be no companies. And without companies there would be no jobs. But just how far does profit have priority over jobs? Only 2 years ago they promised us the results of a wage austerity

policy for 1984. Now while production continues to plummet in Wallonia, on the contrary, in Flanders....

A social consensus? It's necessary. But without a political consensus we're doomed to wander aimlessly.

Maystadt: The employers, the unions, but also the whole Walloon population must reach a minimal agreement. The unions must agree to profits for enterprise. But enterprise must realize that reduction of the cost of wages is not the only condition for recovery. Politicians must agree to encourage companies that reinvest, that reconvert, that create added value.

[Question] Let's talk about the world of politics. If the wolves devour one another....

Dehousse: That's a caricature. I practice political consensus in the regional government, which is a composite body. We're forced to find a common denominator among the parties that are represented. That's good, it's useful and it teaches people to collaborate. Was it chance if the three parties (PS [Walloon Socialist], PRL [Walloon Liberal], and PS [as published, expansion unknown]) agreed, for example, to reject regionalization of just the steel industry? The proportional representation rule, which today determines appointments in the regional government will in 1985 be replaced by a majority rule. When that happens, a political consensus will be more necessary than ever. We're condemned to practice a sort of Walloon de Gaullism. It's either that or failure.

Maystadt: I couldn't agree with you more. As regards the essential problems, we need agreement among Walloons. A consensus among political, economic and social leaders. We are condemned to export because we are condemned to import. So we must agree among ourselves in order to deal with the international competition.

[Question] Reach agreement when you are divided between parties, between river basins?

Maystadt: Friction is inevitable: A majority implies an opposition. But we must have an essential agreement, an agreement regarding which it seems to me indispensable for us to formulate the principles.

What Sort of Solidarity with Brussels?

[Question] A Walloon consensus. Aren't you forgetting Brussels?

Dehousse: Wallonia cannot abandon Brussels. But it cannot annex it. I'm radically opposed to the merging of regional and municipal governments.

Maystadt: As for me, I'm for it.

Dehousse: That at least divides us. Can you imagine a merger that would be tantamount to having the Walloon majority administer Brussels or vice versa?

We cannot tolerate Brussels' becoming another Fouron. What we need, between us Walloons and residents of Brussels, is an economic and political junction point.

Maystadt: My party is for a merger.

Dehousse: But is your party also your region?

Maystadt: Of course, Brussels too is hesitant about a potential merger. But if that's impossible, we at least agree on this point: Brussels-Wallony solidarity is indispensable. If the Walloons don't help the residents of Brussels, the latter will be swallowed up by Flanders. Particularly in those districts offering the least resistance. Aside from politics, an effort of coordination must in any event be made.

Dehousse: Coordinate, collaborate, cooperate, I agree! But each must retain his identity. Here we are starting to assume the Flemish attitude: What context and what sort of government for Brussels? And since most of Brussels is French-speaking, Gaston Geens, who has made it the capital of Flanders, is faced with the problem: What sort of Belgium for tomorrow?

Maystadt: We cannot remain indifferent. What happens to the area on the fringes of Brussels concerns us. And something's going to happen during the next few months.

Dehousse: In a month, in a year, as Francoise Sagan says. But you who are keen on Brussels, are you less so on the Fourons?

Maystadt: The same principle is at issue. The difference is merely in the number of residents involved.

#### No Short-Term Solution

[Question] A Walloon consensus, solidarity with Brussels, all well and good. But what specifically would you do to restore control over the economy in the short and long run?

Maystadt: There is no short-term solution for Walloon problems.

[Question] According to you, no hope, unless it be for your children?

Maystadt: No action will produce anything but gradual effects.

Dehousse: Let's not confuse reconversion and restructuring. There's no miraculous formula.

[Question] Let's talk about reconversion first. In what context should we plan it: private, public or mixed initiative, or foreign investments?

Dehousse: The forms it may take are subject to discussion. Let's not involve doctrine in that. To attract new investments we talk with everyone. But one



thing is excluded: The region is not a capital pump. I'm happy over Japanese investments: Sumitomo in the Eupen Cable Company, Mitsubishi in Petit-Rechain, Mitsui in Mons, NGK [expansion unknown] in Beaudour, Asai Glass in Glaverbel, Daiwa in Jemeppe. But profitability is a "must," even though it may have a different meaning for the region and for the firms involved.

It must be "economical" for Japanese investments as well as for American and other investments: for Caterpillar in Charleroi, for Pratt and Whitney when it negotiates with FN [expansion unknown] in Herstal, etc.

[Question] Is economic profitability being confused with social profitability?

Dehousse: They're inseparable. But to hell with doctrine in this matter. Doctrine is paralyzing.

#### A Question of Funds

[Question] Listing Japanese investments gives one the impression of a strategy of dispersion. Don't you believe in subsidiaries?

Maystadt: There must be subsidiaries. But we have to choose them with care. The electronics subsidiary, for example, is not a panacea.

Dehousse: Nothing can be permanently established.

Maystadt: It's a sort of gamble. And I'm glad that the regional government, in which Melchior Wathelet is devoting half of his "new technologies" budget to the promotion of biotechnology, is risking it. Today's research is the day after tomorrow's employment.

Dehousse: The region is faced with a big financing problem. But we're doing what we can with what we have by trying to distribute funds between reconversion and restructuring. Ah, if only Eyskens had not frozen the FRI (Fund for Industrial Reconversion and Renovation).

Maystadt: They'll no doubt release funds through it again.

Dehousse: But it won't be the same FRI any more. They've discovered the Limbourg problem.

Maystadt: Why does the regional government refuse to join in the debate?

Dehousse: We will when we're properly invited to do so. We may in the end dance to a Viennese waltz [this may be an allusion to Vienne, a town in France, thus denoting French influence, rather than Vienna; both are Vienne in French], but not to a Flemish waltz.

#### Rules and Exceptions

[Question] That's another issue. Let's get back to the main issue. Restructuring?



Maystadt: As I see it, there are rules and at any rate three criteria for excluding the intervention of regional finances in the restructuring of companies that are in trouble: firms irretrievably doomed, consumers who make no or not enough effort, or who demand inordinate efforts, sectors in which the competition risks being perverted among firms in the region itself.

Dehousse: I accept the rules. But I would prefer tendencies. We know too well that rules are subject to exceptions. Let those who doubt the fact ask the Council of State. But, as I've already said, we need funds. And they are getting scarcer at the caprice of government agreements.

Maystadt: I'm the minister of the budget and I know what that costs. If we had stuck to the decisions of the previous government, the federal government would have saved 9 billion last year. But it is true that funds are limited.

Choose Now

[Question] Aside from a few points and several "provocations," your words speak in favor of a long-term future. But one has to live in order to hope. So what should we do today?

Dehousse: I'll gladly end the discussion on that note. As Philippe Maystadt says, it's not enough to plant a tree in order to be able to pick its fruit. But short-term actions are nevertheless necessary. We have to do something. And above all we must avoid continuing to do certain things. Which ones? Always the same ones. Since 1968 we have been letting ourselves be swept into Flemish jurisdiction. But the choice is imminent: either we live in Wallony under a colonial power or we accept the risk of a given unknown situation and prepare ourselves for it as best we can. Since the North-South dispute is getting worse, we no longer have much time.

[Question] Would Philippe Maystadt put it that way too?

Maystadt: The present government is not being accused. But it is true that Walloons are going to have to quickly assume control over the future of their children. The Walloons must regain confidence in Wallony.

[Question] How?

Maystadt: Let's specify the kind of Wallonia we want: concern for our economic and technological future, opening ourselves to the world instead of withdrawing into ourselves, respect for Wallony's political, philosophic or geographic diversity.

Dehousse: Of course. Wallonia is not limited to the Sambre-Meuse line. And our regional reality lies in pluralism.

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CSO: 3619/32

## TRADE FIGURES FOR 1983 SHOW INCREASE IN BUSINESS WITH WEST

Helsinki UUSI SUOMI in Finnish 27 Jan 84 p 20

[Article: "Finland 1983: Foreign Trade Balance on the Same Course as the Year Before"]

[Text] Last year the foreign trade balance remained at roughly the level of the year before. The trade balance deficit was 5.3 billion markkas. The trade balance with corrections showed a deficit of nearly 2.5 billion markkas and a production factor and revenue transfer balance of 6.3 billion markkas, a sizable portion of which was swallowed up by interest payments. The balance for services showed a surplus that was almost to the mark the same as the previous year's, 3.5 billion markkas.

During the second half of last year Finland's foreign trade began to move in both directions. Demand in the Western countries raised export volume. Imports picked up during the same period.

Export value amounted to 69.8 billion markkas and import value to 71.5 billion. The quantitative increase was 4 percent and the rise in value over 10 percent. The foreign trade balance remained nearly the same as before.

## Deficit in Trade with CEMA Countries

Finland showed a surplus balance in trade with the EFTA, EEC and developing countries. The EFTA trade surplus came to 0.3 billion and those with the EEC and developing countries to 1.2 billion. There was a billion-markka deficit in the CEMA trade.

Last year Finland's biggest trading partner was the Soviet Union. Its share of Finnish exports came to 26.1 percent. Trade was almost in balance. The deficit was only a bit less than 200 million markkas.

Sweden was our second biggest trading partner, but its share was half as much as in our trade with the Soviet Union.

## Deficit of Over 3 Billion with Japan

A deficit of over 3 billion markkas was produced in trade between Finland and Japan. Finland imported over a billion markkas more in goods from the United States than it exported to it. There were also sizable deficits with Italy and Poland.

Clearly the biggest surplus was in our trade with Great Britain. Finland exported over 2.4 billion markkas more in goods to it than it imported from it.

## Forest Industry Exports Picked Up

Exports of chemicals, metals, ships, paper and lumber increased significantly last year. Less in volume than last year were exports of textile, clothing and leather industry products as well as certain metal products and machines, among other items.

The value of forest industry exports rose 10 percent. Their share of all exports amounted to 37.7 percent, nearly the same as the year before.

The value of lumber industry exports rose 11 percent, even though the volume remained at the same level as the previous year. World market lumber prices revived quite a bit. Export volume rose 7 percent, but value rose a full 24 percent. Export volume was, however, over a fourth less than in the peak year of 1980.

## Metals Slightly Less Than Lumber

Metal industry export value rose 10 percent. Its share of all exports was 35.8 percent, slightly less than the forest industry's share.

Chemical industry exports rose 29 percent in value and 20 percent in volume. Amounting to 3.6 billion, oil product exports represented over 40 percent of the industry's total exports. The other chemical industry exports also rose sharply.

## Energy Accounted for Over a Fourth of All Imports

Investments and consumer goods accounted for the bulk of the increase in import value. Imports of certain raw material categories increased overall imports to a lesser extent. Coal imports dropped sharply.

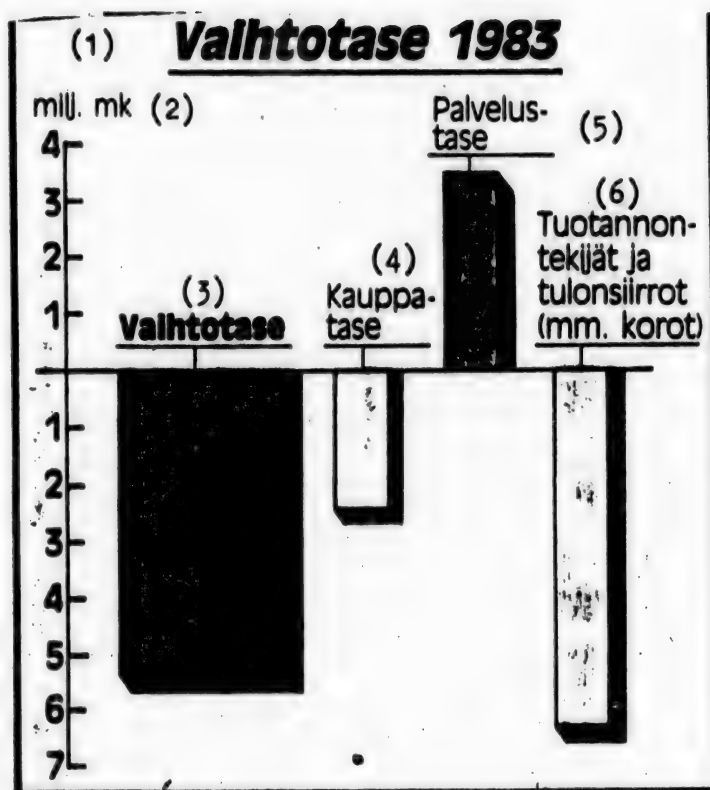
The value of energy imports rose less than 9 percent to 18.9 billion markkas. Their share of all imports came to 26.5 percent, whereas just 2 years before the figure was 30.6 percent.

In terms of value 16 percent more consumer goods were imported than the year before. The increase clearly occurred during the first half of the year. Imports have dropped since the second half of the year.

As for passenger cars, 110,000, or almost as many as the year before, were imported. Nearly half the cars came from Japan and a fourth of them from the Federal Republic of Germany.

Foreign Trade by Areas  
(in percentages of total)

<u>Area</u>	<u>Exports</u>	<u>Imports</u>
EEC	36.2	33.6
CEMA	27.7	28.5
EFTA	18.3	17.3
Developing countries	8.7	6.7
Other countries	9.1	13.9



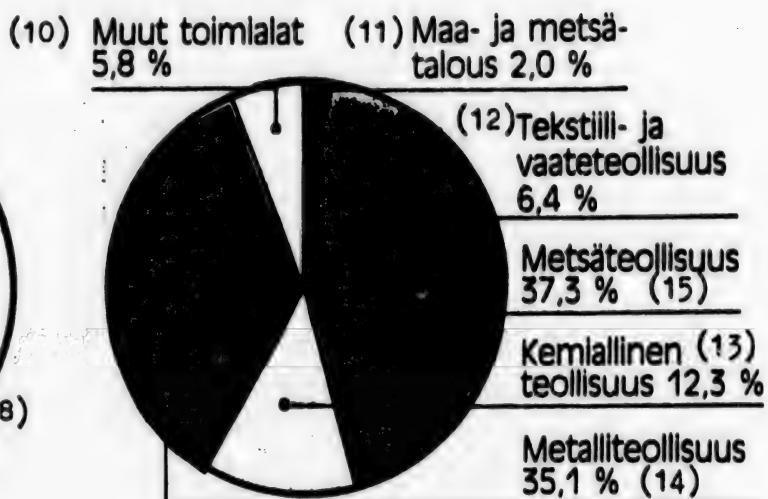
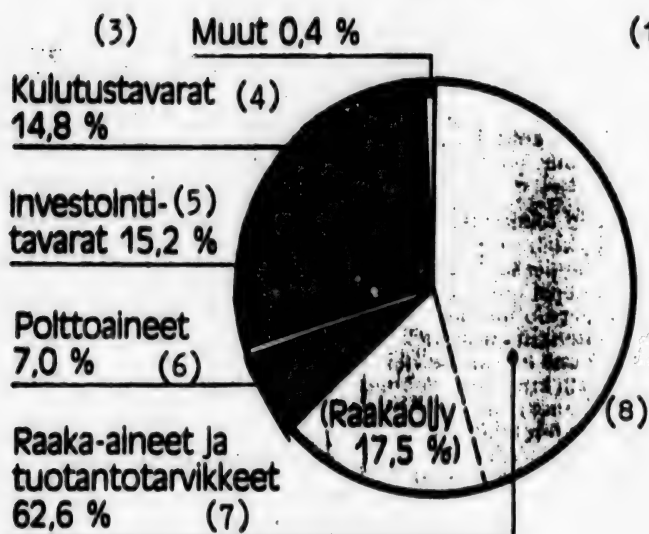
**Key:**

1. 1983 trade balance.
2. Millions of markkas.
3. Balance of payments.
4. Trade balance.
5. Service balance.
6. Production factors and revenue transfers (interest payments among others).

# (1) **Ulkomaankauppa 1983**

## (2) **Tuonti**

## (9) **Vienti**



### Key:

1. 1983 foreign trade.
2. Imports.
3. Others.
4. Consumer items.
5. Investment items.
6. Fuels.
7. Raw materials and production materials.
8. Crude oil.
9. Exports.
10. Other industries.
11. Agriculture and forestry.
12. Textile and clothing industry.
13. Chemical industry.
14. Metal industry.
15. Lumber industry.

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## USSR CONSTRUCTION PROJECTS NEGOTIATED FOR NEXT FIVE YEARS

Helsinki HELSINGIN SANOMAT in Finnish 25 Jan 84 p 29

[Article by Kalle Heiskanen: "Number of Workers Has Sharply Dropped on Soviet Projects"]

[Text] The number of Finnish construction workers working in the Soviet Union has sharply dropped within a half a year's time. About 4,500 Finns were working on Soviet projects in August. According to the latest estimates, their number has dropped to about 3,000. The wage agreement for those toiling in the Soviet Union is coming to an end. The 4-year agreement comes to an end next October, but discussions are at present in progress in connection with negotiations for a wage agreement with Finland.

The new contracts involve less Finnish construction workers going to the Soviet Union than before. Export department head Timo Myllys of the Construction Contractors Union felt that there would be a total of a couple of thousand white-collar and manual workers by the end of the year.

The biggest drop this year will be the slowdown at Kostamus. On the other hand, the implementation of the Tallinn port contract in early summer will improve the worker balance.

Timo Myllys said that any new contracts would just not have time to affect this year's situation.

The slump at jobsites beyond the border is also evident at various employment agencies. When, for example, work at the Svetogorsk Phase III B project slows down, the number of unemployed construction workers listed at the employment agency in Imatra will rise.

Bids on the fourth phase of the Svetogorsk project are at present being prepared to save the situation. They plan to submit them to the Soviet Union very soon.

They are moving on two levels in wage agreement negotiations involving foreign construction projects. On the one hand, they are renewing agreements by individual countries and, on the other, employers would also like to effect a general agreement covering all foreign projects.

The workers are not enthusiastic about such a general agreement. Raimo Pannila, an official of the Construction Workers Union, said that the approach proposed



by the employers would lead to ambiguities and disputes involving the interpretation of what policy should be followed each time.

If the employers have their way, Pannila fears that those working abroad will be cut off entirely from the rules governing, for example, Finnish labor rights, social legislation and wage agreements.

As for manager Markku Kalliomaki of the Construction Industry Union, he said that a general agreement would not detrimentally affect worker benefits. "We are also prepared to enter into agreements with individual countries, even though we sign a general agreement," Kalliomaki assured us.

For example, the separate agreement with the Soviet Union is being renegotiated regardless of whether a new general agreement is produced in the course of the first half of the year.

Detailed rules that are regarded as unnecessary would be omitted from an agreement that is general in nature. According to the employers, abroad they cannot always literally comply with the provisions of Finnish agreements, as current practice requires.

#### Workers' "Ruble Problem"

Moscow (HS)—The sauna oven hisses. The men bow like the Volga boatmen in the days of yore under the lash of the whip. "Yes, you've got to have a good sauna. It's better than other Finnish companies have," one of them exclaimed.

The sauna is near the famous Tretyakov Art Gallery, in the cellar of an old house. About 70 Finnish construction workers who have contracted to build an additional wing on the gallery use it regularly.

The sauna is an important place to spend their leisure time. Sitting on the benches of the sauna, the men tell us that passing the time left to them after work is still one of their biggest problems.

In the Soviet Union a Finnish construction worker gets a per diem allowance of 15 rubles, that is, in a few days time as much as a Soviet worker earns in a whole month. Their wages are paid tax-free in Finland.

Those who work in the Soviet Union have a "ruble problem." The opportunities for spending their per diem allowances are very limited. The employer pays for accommodations and fringe benefits also include a trip home every 6 weeks.

When the wage agreement covering Soviet contracts is revised, the pressures for changes in the per diem system will be considerable. Aside from the workers, some of the contracting firms would also be willing to have part of the per diem allowances paid in Finnish markkas.

Soviet officials, however, take a negative view of this. In the Soviet Union they fear that such a practice would among other things increase the black market in foreign currency.

When a new wage agreement is shaped, workers would also like the rules covering living quarters to be better specified and improvements in their tax situation.

The employers are ready to discuss matters, but point out that the influence Finnish agreements have on the kind of quarters the Soviets assign is limited. Moreover, in Moscow, for example, they are lodged in luxurious quarters in comparison with many other places.

So far employers and workers have not discussed the tax issue because it is viewed as a matter to be settled between the worker and the tax official.

From Tretyakov to Tallinn

The sauna oven at the General Engineer Agency's (YIT) Tretyakov jobsite will cool off in May and a considerable number of the construction workers will be transferred to the port of Tallinn. As for YIT, Raimo Morefield, who is responsible for selecting personnel, said that by March there would be about 50 men on the jobsite, who would be performing preliminary tasks and erecting accommodations, among other things.

Although YIT has not been looking for workers for the project, Morefield has a stack of applications about a half a meter high in Helsinki. He gets from 60 to 70 calls a day from interested workers. The most distant of them have come from Australia.

All told YIT has about 400 workers and some 100 clerical workers on the payroll for Tallinn. A large number of them have already worked on the company's different jobsites.

When a project is located so close, they do not use psychological tests when selecting workers. For example, workers are sent to the Near East only after undergoing rigorous tests.

According to Morefield, precisely the fact that most of the workers are experienced and are known from before cuts down on the number of personnel problems. Nevertheless, there are always some for whom things go as they did for "Koistinen" in Kostamus.

Koistinen in Kostamus

Koistinen fumbled in Kostamus and got on the Soviet customs officials' black list. When Koistinen arrived at the customs shed, loudly emphasizing his words an official said: "Aah, Koiistinen." In a flash two militiamen led Koistinen off to be strip searched.

That is how the weeks passed until Koistinen's job was over and Koistinen traveled from Kostamus to Finland for the last time.

"Aah, Koiistinen," the customs official yelled. Before the militiamen had time to get to the spot, Koistinen spread his raincoat wide open and showed the customs official that he had nothing to declare but a small pair of swimming trunks.

## UDF OFFICIAL ON BUDGET DEFICIT, FOREIGN DEBT, ZERO GROWTH

[Editorial Report] Paris LE NOUVEL ECONOMISTE in French 13 Feb 84 carries on page 43 a 700-word Edmond Alphandery comment. Taking note of Mr Jean-Pierre Chevenement's open question to the Left whether there is an alternative to the present zero growth rate, Alphandery says that although there are government rumors of a spring recovery, there are two new factors in the French economy now which were not present before May 1981. First, while the ratio of the budget deficit to GNP is modest compared to that of several French partners, the financing needs of state agencies have risen from almost zero in 1980 to more than 3 percent of the GNP in 1983, and it is feared that it will increase for three reasons: the growth of the deficit of publicly-owned enterprises, the cost of administrative decentralization, and zero growth itself, which reduces tax and quasi-tax receipts and adds to costs. The second is the equally brutal growth of the foreign debt. With 13.3 billion dollars in 1983, France was the second largest borrower in the world. The most serious experts believe France must have a current account surplus of at least 50 billion francs just to stop the automatic growth of its foreign debt. In the 10 years preceding 1981 France had the highest growth rate of the five great powers (United States, Great Britain, Germany, France, and Italy), mainly because its rate of investment was highest. But in 1983-84 French growth was the lowest. The cause is deeper than the policy of restraint made necessary by the sudden recovery of 1981-82. Before May 1981 France had an average savings rate compared with its trading partners, but it enjoyed the advantage of a balanced domestic budget and an absence of foreign debt. The savings of its citizens thus financed a large volume of investment. Today, from the total investment, which has been growing more slowly since May 1981 due to the socialist tax policy, one must deduct at least 120 billion francs to finance the state agencies and 50 billion to cover the international current account deficit, or at least 170 billion francs out of a total of about 700 billion in savings. The recovery predicted by Mr Chevenement will not solve it, says Mr Alphandery, for this will increase the foreign debt still further and jeopardize a return to a higher growth rate. Mr Jacques Delors' zero growth rate is thus the only answer to the economic mess which the government has made for itself.

## 'ITALIAN CREDIT' REPORT ON PROSPECTS FOR EXPORTS

Milan MONDO ECONOMICO in Italian 14 Dec 83 pp 44-48

[Text] This year as well, Italy's balance of payments on current accounts will not be balanced (Table 1). Three years of downward trend in the domestic demand have not been sufficient for the Italian economy to settle its accounts abroad, despite facing, not a downward trend, but a stagnation, and, in 1983, a marginal increase in demand in the other industrialized countries (Table 2). The year 1984, even with the world economy on the upswing and even on the hypothesis of a lengthy stagnation of economic activity in Italy, will see--according to the consensus of forecasts--a new deficit in the balance of payments, forecast to be equal to that of this year or approximately 2 trillion liras.

Next year's foreign trade accounts will most certainly be burdened by the legacy of a difficult 1983 during which businesses were able to protect their competitiveness only at the expense of a considerable reduction in their profit margin (Table 3), which will force them, in the coming months, to pass on to the consumer, at least in part, their higher costs, especially those of the past year. In addition, nearly irreducible burdens, imposed by interest payments on the foreign debt, which has accumulated in order to finance past imbalances, will weigh considerably. As with the public deficit, the deficit of private business tends to become more rigid for this reason and ever less reactive to the reduction in demand. The degree of "the sacrifice of growth" that the Italian economy must bear in order to realize the adjustment is, therefore, inevitably increased.

To the difficulties related to the economic situation, coupled with the lingering wide disparity between the rising domestic costs and the rising prices of foreign competitors, others are added, perhaps less immediately identifiable, but which have already weighed upon, and are destined to weigh upon, to a significant degree, on the possibilities of the balanced growth of the Italian economy and which are to return to the development of the productivity structure of Italy and its foreign interchange.

The structural tightening of the foreign obligations can be calculated on the basis of a few key figures (Table 4). In the '60's, the simultaneous growth of a percentage point of the GIP [Gross Internal Product] of Italy and of the OECD countries on a par with other conditions activated a growth of 2.5 percentage points in Italian exports and only 2 points in the OECD exports; on the import



side, it brought about a growth of 1.4 percent for Italy and of 1.9 for the OECD. In effect, on a par with real growth, as a whole, Italy was able to export more and import less than the other industrialized countries.

Today, this situation, which was the basis for the "structural assets" of the Italian balance of payments of current accounts, has been reversed. The quotas of Italian exports have ceased to grow (Graph 1): their elasticity to foreign demand is at the same level as that of the other industrialized countries; at the same time, the elasticity of imports has expanded while that of Italy, mainly because the accelerated penetration of foreign manufactured goods into the domestic market (Graph 2) has increased from 1.4 to 2, while OECD's has been more than halved, going from 1.9 to 0.8. Under these conditions, the capability of Italy to keep step with the most advanced economies, without compromising its own foreign balance, is considerably reduced.

It is on exports, in addition, of course, to the capability to contain imports on a par with domestic demand, that the responsibility to act as the impulse for development, therefore rests, in greater measure than in the past and under hardship conditions, magnified by the sluggish growth of the world market.

The "Report on Italian Exports" attempts, in these terms, to assess the present situation as to the prospects and the long-term problems which face the Italian export industry, which, as is known, is totally atypical because of its unbalanced structure (and at a growing rate in the past decade) towards the so-called traditional consumer goods.

The consequences of such an abnormality in the prospects for exports should be evaluated carefully. In this respect, there are some salient evaluations in the "Report" that can be summarized in the following items:

1. By progressively increasing its specialization in the traditional sectors, the export industry has, in reality, concentrated on the sectors where its international position is structurally more solid. As a matter of fact, in the '70's Italian exports of traditional consumer goods have withstood competition not only from the other industrialized countries, but from the newly industrialized ones as well (Table 5). What has guaranteed their success has not been brief circumstances alone, such as the conditions of price competitiveness, guaranteed in the '70's also by the trend of the exchange, but positions of "structural strength": in the textile, clothing, furniture, non-metal minerals sectors, Italy would have probably increased its quotas even under less favorable price conditions.

The structural strength of Italian exports of traditional consumer goods is, in fact, evidenced by numerous indicators. Among them should be emphasized the modest price elasticity that marks the Italian products in these areas (Graph 3), an indication of the high degree of "irreplaceability" of Italian products as compared to those of the competing countries. It is also a fact that in these areas, Italy exports products that are acknowledged to be of a "relative quality" superior to the average of those of other countries (Table 6). However, in this regard there emerges from the "Report" an element that calls for caution. The gap between the "indicators of relative quality" of Italy and the other countries,



although remaining generally positive, has been reduced rather strikingly in almost all departments. The problem of the quality of exports, even in the departments where Italy's international position shows it to be most solid, cannot be considered as having been solved once and for all and calls for constant monitoring.

2. As a whole the final judgment that can be reached on the rationality of the "specialization model" of Italian exports does not imply, however, a favorable judgment as to their prospects for holding their position. In the first place, this is due to the fact that the products that Italian exports are specialized in are, by and large, products with a sluggish world demand that is progressively slowing down. This has already begun to throttle the growth of Italian exports to a degree that still appears to be modest, but not irrelevant: only because of their peculiar marketing make-up do Italy's exports, reversing a favorable position held until the entire first half of the '70's, tend, in fact, to lose about half a growth point per year as compared to the average of the industrialized countries (Table 7). This lag threatens all the more to increase the category of dynamic products, from the point of view of world demand, and tends to coincide with that of the most technologically advanced products.

3. In the category of high technology products which is difficult to define precisely, Italy is, as is known, in an inferior position as compared to the other major industrialized countries. However, the simplistic image of a country "doomed" by this same fact to depend solely on traditional exports must be defined and probably corrected. It is true, in fact that the products that are classified as being of higher technological content carry a more modest weight with Italian exports (Table 8). Despite this, the Italian export industry appears even today to be in a condition to profit, no less than the other industrialized countries, from an intensified, properly guided effort directed towards research and modernization. The Italian export industry turns out to be, as a matter of fact, relatively strong in areas that the present classifications do not include among those of a high technological content, but in which technology is certainly a decisive factor in determining the success or failure of an exporting country (Table 9) and among these should be mentioned particularly many departments belonging to the mixed sector of the tool-making industry. In other words, Italian industry is sufficiently present even in the "high technological elasticity" areas.

The implicit potentials of such a situation must, however, be translated into action. To this effect, one must admit that the experience of the past decade has not been wholly positive. Although still relatively high, the weight of the products of a high technological elasticity on the exports of Italian manufactured goods has not increased in the past decade, but has, as a matter of fact, decreased sharply as opposed to the other industrialized countries.

Table 1. Italy's Balance of Payments on Current Accounts

(Billions of Lire)

<u>Year</u>	<u>Payments</u>
1980	-8,291
1981	-9,225
1982	-7,393
1983 (estimated)	-2,200
1984 (forecast)	-2,200

Source: Bank of Italy and Credito Italiano

Table 2. Evolution of the Domestic Demand

(Percentage variations at constant prices)

<u>Year</u>	<u>Italy</u>	<u>OECD</u>
1980	7.4	0.4
1981	2.6	0.3
1982	0.5	0.1
1983	-1.7	2.0
1979-83	2.3	2.8

Source: OECD

Table 3. Prices, Costs and Profits of Industrial Enterprises

(Percentage variations on the previous year)

<u>Indicator</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u> 1st 6 mos (1)
Prices of Italian enterprises				
-on the Italian market	21.4	17.4	14.1	10.5
-on the foreign market	21.2	22.2	15.2	4.9
Prices of competitors				
-on the Italian market	15.4	20.8	14.6	4.1
-on the foreign market	15.9	27.3	15.1	7.1
Costs per product unit	20.1	21.3	12.5	12.0
-labor	13.4	19.8	17.3	19.6
-input	24.4	22.6	8.8	7.0
Gross operating result per unit	27.9	5.6	21.2	-1.9

(1) Percentage variations on the 1st 6 mos of 1982

Source: Credito Italiano

Table 4. The External Constraints to the Growth of Italian Economy:  
Trends of the Past 20 Years

<u>Activity</u>	<u>1963-69</u>	<u>1970-75</u>	<u>1976-79</u>	<u>1980-82</u>
Elasticity of exports to foreign demand (1)				
-Italy	2.5	2.3	2.1	1.9
-Industrialized countries	2.2	2.1	2.0	1.9
Elasticity of imports to domestic demand (2)				
-Italy	1.4	1.6	1.8	2.0
-Industrialized countries	1.9	1.7	1.3	0.8

(1)Ratio between "trend" percentage variations of the quantities exported and the GIP of the OECD.

(2)Ratio between the "trend" percentage variations of the quantities imported and the GIP.

Source: Credito Italiano, Report on Italian Operations, November, 1983

Table 5. World Export Quotas

<u>Product</u>	<u>Industrialized Countries</u>								
	<u>Total</u>		<u>1979-80</u>	<u>Italy</u>			<u>1970</u>	<u>Other</u>	
	<u>1970</u>	<u>1975</u>		<u>1970</u>	<u>1975</u>	<u>1979-80</u>		<u>1975</u>	<u>1979-80</u>
Textiles	77.6	74.6	69.8	7.0	7.3	8.0	70.6	67.3	61.9
Clothing	63.4	54.5	51.6	13.4	11.0	12.1	50.0	43.5	39.5
Alloys	77.2	82.8	81.9	2.9	5.1	5.0	74.3	77.7	76.9
Chemicals	88.0	86.9	87.9	4.1	4.4	4.2	83.9	83.5	83.7
Machinery	87.6	87.0	85.6	5.4	5.0	5.0	82.2	82.0	80.6
Total	71.9	66.3	64.3	4.6	4.3	4.5	67.0	62.0	59.8

	<u>Other Countries</u>								
	<u>Total</u>		<u>1979-80</u>	<u>Far East</u>			<u>1970</u>	<u>Other</u>	
	<u>1970</u>	<u>1975</u>		<u>1970</u>	<u>1975</u>	<u>1979-80</u>		<u>1975</u>	<u>1979-80</u>
Textiles	22.4	25.4	30.1	11.5	12.6	16.3	10.9	12.8	13.8
Clothing	36.6	45.5	48.4	19.1	27.9	31.8	17.5	17.6	16.6
Alloys	22.8	17.2	18.1	2.4	2.6	4.6	20.4	14.6	13.5
Chemicals	12.0	13.1	12.1	1.2	1.4	2.3	10.8	11.7	9.8
Machinery	12.4	13.0	14.4	1.0	1.9	3.7	11.4	11.1	10.7
Total	28.1	33.7	35.7	4.6	5.2	7.0	24.5	28.5	26.7

Source: Credito Italiano. Ibid

Table 6. An Indicator of the Relative Quality of Italian Exports

(Percentage variation to the industrialized countries' average) (1)

<u>Product</u>	<u>1970-75</u>	<u>1976-80</u>
Textiles	7.3	9.4
Clothing	8.2	-6.3
Footwear	-0.2	-0.5
Furniture	30.8	13.9
Non-metal minerals	22.6	49.5
Steel	15.5	-4.7
Non-ferrous metals	12.2	3.1
Metal products	0.5	-13.9
Refined chemicals	-27.7	-29.1
Chemical derivatives	15.5	12.7
Basic chemicals	-0.1	3.2
Road transport conveyances	-5.8	-14.4
Non-electrical machinery	-8.8	-13.1
Electrical machinery	-34.8	-44.2
Precision machinery	-24.9	-48.4

(1) Calculated from the indices of average value per unit of the exported products.  
Source: Credito Italiano. Ibid

Table 7. Trend of Growth of Foreign Demand for Italian Products as Compared to the Other Major Countries

(Annual average percentage variation 1979-81)

<u>Country</u>	<u>Percentage</u>
Italy	3.3
France	3.5
Germany	3.6
United Kingdom	3.7
USA	3.6
Japan	3.8
Industrialized Countries average	3.7

Table 8. Technological Content of Exports (1)

<u>Country</u>	<u>1970-72</u>	<u>1978-80</u>
Italy	11.5	10.6
France	16.6	20.1
Germany	17.3	19.6
United Kingdom	18.1	23.5
USA	28.8	31.0
Japan	19.4	19.4

(1) Percentage weight on the total of "high technology research and development content" of exported manufactured goods

Source: Credito Italiano, Ibid.

Table 9. Elasticity of Exports to Technology (1)

Country	1970-72	1978-80
Italy	27.7	21.9
France	22.0	22.0
Germany	29.7	28.2
United Kingdom	29.4	28.2
USA	41.4	39.2
Japan	15.6	19.6

(1)Percentage of weight on the total of "high technological elasticity" of exported manufactured goods.

Source: Credito Italiano, Ibid.

Graph 1. Italian Exports Quotas on Industrialized Countries' Manufactured Goods Exports. (Indices 1970 = 100)



Key:

1. Values observed
2. Trend component
3. Values calculated

Source: Credito Italiano, "Report on Italian Exports" Nov 1983



Graph 2. Italian Propensity to Import Manufactured Goods



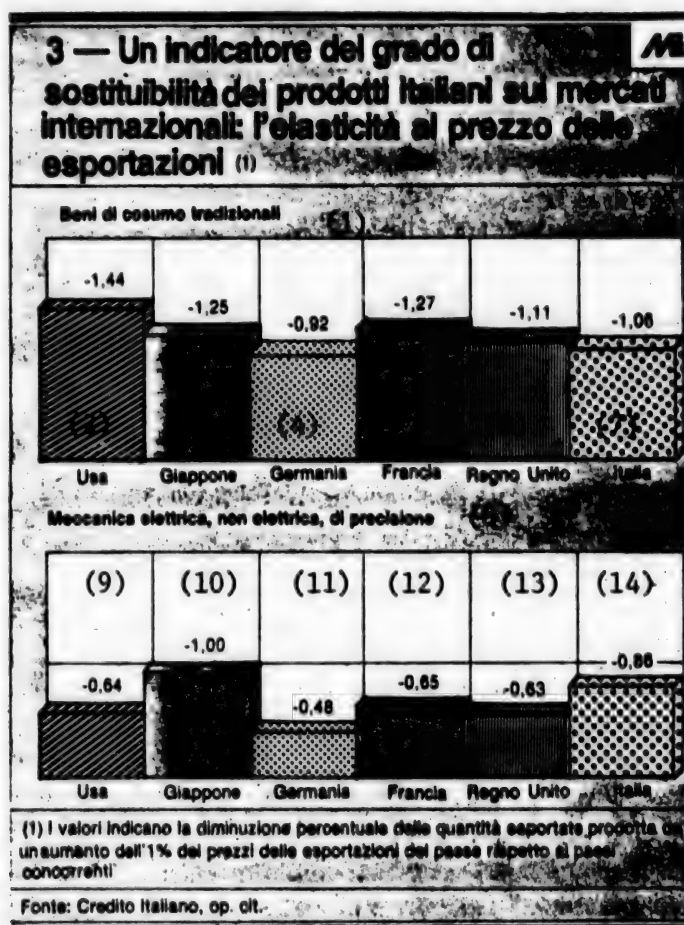
Key:

1. Values observed

2. Trend component

Source: Credito Italiano, Ibid

Graph 3. An Index to the Degree of Replaceability of Italian Products on International Markets: the Elasticity to the Price of Exports.<sup>(1)</sup>



Key:

- |  |                    |
|--|--------------------|
| 1. Traditional consumer goods                      | 9. USA             |
| 2. USA   | 10. Japan          |
| 3. Japan   | 11. Germany        |
| 4. Germany   | 12. France         |
| 5. France  | 13. United Kingdom |
| 6. United Kingdom                                  | 14. Italy          |
| 7. Italy   |                    |
| 8. Precision, non-electrical, electrical machinery |                    |

(1) The values indicate the percentage of decrease of exported quantities caused by the increase of 1 percent in prices of the exported goods of the country compared to the competing countries.

Source: Credito Italiano. Ibid.

9731

CSO: 3528/56

## COMMITTEE TO STUDY POSSIBILITY OF SIX-HOUR WORKDAY

Oslo AFTENPOSTEN in Norwegian 23 Feb 84 p 3

[Article by Einar Solvoll: "Six-Hour Day Will Now Be Studied"]

[Text] A committee to investigate the question of shorter working hours will be appointed very soon. Among other things a six-hour workday and reduced working hours for parents of small children will be evaluated. Finance Minister Rolf Presthus mentioned this in the Parliament yesterday, when he answered a question from Hans Hammond Rossbach (Liberal Party).

Rossbach wanted to know if the finance ministry would take the initiative in studying the consequence of a flexible and gradual reduction of working hours for parents of small children to six hours per day. The finance minister said in his answer that this question is one of many aspects which the future committee has to assess.

Besides, demands were also made for a lower retirement age, longer vacations, limited overtime, job sharing and part-time work. The LO [Federation of Trade Unions] supports a more flexible retirement system, reduction of the general retirement age, and equal working hours for all, while the YS [Central Association of Professional Organizations] has requested that the consequences of the possible introduction of a six-hour workday be studied.

But Finance Minister Presthus stressed that one cannot complain about the job market's being difficult in economically hard times--and that this strikes women and young families especially--only to turn around and demand curtailment of working hours with full wage compensation.

"A reduction in working hours should be based on economic growth and growth of productivity."

12327

CSO: 3639/78

## STATISTICAL SURVEY OF AUTONOMOUS REGION BUDGETS

Madrid EL ALCAZAR in Spanish 7 Feb 84 p 10

[Editorial by Fernando Cruz: "Flow of Millions to Autonomous Regions"]

[Text] Last Saturday's edition of EL ALCAZAR reported that the budgets for the various autonomous regional councils will be modified upward. The sweat and blood of millions of people will be used to increase financial contributions by millions of pesetas and to elevate the salaries of council presidents and their advisors to levels clearly out of reach for the rest of the Spanish people. So, in many regions, where the president and advisors receive "meager salaries", several additional allocations have been approved, and along with extra pay, the salaries of these individuals are being raised by several million pesetas in the name of "full-time positions" and "fulfilling the duties of the post."

In this regard, this newspaper spoke to the accounting director for the regional council of Extremadura, since it was impossible to reach the president of that organization who is "in conference," or with the auditor who is "not in." The director indicated that the allotments for those high posts "were very small." "Only 1,198,668 pesetas for the president and 1,024,920 for each one of the advisors." He also listed some of the additional funds which were approved to raise "such low salaries"; 991,020 in additional funds for "carrying out the duties of the position" and for "full-time work," another 944,000 pesetas. Not content with his "meager salary," the president collects two bonuses which total 199,788 pesetas. The salaries of the Extremaduran advisors reflect increases similar to those of Juan Carlos Rodriguez Ibarra. Therefore, each one of the advisors, always surpassing the level for the previous budget, received a gross annual salary of 1,024,920 pesetas along with an additional 763,000 pesetas for "carrying out the duties" and another 700,000 for "full-time work." Each advisor also received two bonuses which totalled 170,820 pesetas. With this in mind, it is not surprising that last year the council budget increased to 2.7 billion pesetas, and on the 20th of this month, the budget for salaries for the current year will be proposed, and enormous increases are projected. [passage omitted] a series of transfers. With regard to the budget which was recently approved, 2.931 billion was earmarked as the allotment for the council, and the allotment for President Santiago Marraco compares to

that of a secretary of state. The salary of the advisors is comparable to that of a general director. The same individual indicated that the budgets for 1983 did not consider certain salaries, such as those for officials transferred by the central government who received their salaries from Madrid.

In reference to Castilla -La Mancha, the budget for this year rose to 27.801 billion compared to 5.171 [billion] last year. As for the autonomous government of Cataluna, the amount set aside for this year is not known since the budget of 140 billion for last year has been extended. The new estimate will include a 6.5 increase for the president and his advisors in addition to the 6,500,000 pesetas received by the president and the 3,300,000 for the advisors.

Also, the autonomous community of Navarra will allot 49.216 billion for the current budget from which 3,620,110 pesetas will be deducted for the president and an equal amount for his advisors. In La Rioja, the budget is not yet completed but a large increase is projected over the 1983 budget which reached 3.624 billion pesetas. Of that amount, 3,500,000 was used to pay the salary of the president and another 3,125,000 to meet the salaries of the advisors.

As for Castilla-Leon, the budget for this year will depend on the transfers from the central government, but it will greatly exceed last year's budget, which was about 3.055 billion pesetas. Of that amount, the president received a salary equal to that of the secretary of state, and the advisors' salary is comparable to that of a director general.

In the autonomous region of Baleares, the budget projections will not be available for some time, but there will be a considerable increase over last year's budget which was 5.539 billion pesetas, 4,300,000 of which paid the salary of the president and 3,500,000 went to the advisors.

In Cantabria, official spokesmen refused to divulge the figures for this year, but the opposition says they are much higher than those of 1983, in which a budget of 10.780 billion was approved with allotments of 480,000 pesetas plus per diem fees for the president and 100,000 pesetas less, plus bonuses based on per diem for the advisors.

9787

CSO: 3548/184



## STEEL AGREEMENTS WITH EEC TO SET QUOTAS

Madrid YA in Spanish 7 Feb 84 p 22

[Text] According to official sources, the European Economic Community will sign a steel agreement for 1984 this week which will allow Spain to export 757,000 tons of steel to EEC, 32,000 of which will be in concrete bars.

Yesterday EEC imposed a binding antidumping tariff of 38.79 ecus (about 5,000 pesos) per ton on Spanish exports of that product.

This measure, apparently adopted with the consent of the Spanish Government, will affect the three Spanish steel companies accused of "invading" the German market using indirect exportation.

According to Spanish sources, the antidumping tariff on the concrete bars should satisfy German officials who are under pressure from their own steel producers.

During the first 10 months of 1983, nearly 200,000 tons of concrete bars from Spain representing one-fourth of the quota for Spanish steel exports to EEC, entered the Common Market illegally, bound predominately for Germany.

## Three Companies Accused

The three companies accused by EEC of illegal practices are Sevillana Steel, Galaica Metal Works of Ferrol and the Basque Corrugated Steel Company, a division of Orbegozo.

Ensidesa, also implicated by EEC for possible involvement in fraudulent sales, informed EEC officials that its export of 15,000 tons of concrete bars in 1983 was in compliance with the agreement in effect at that time.

Spanish experts explained that the antidumping tariff introduced as a temporary provision last November, will end 2 months after the signing of the 1984 agreement. During that period of time, Spanish and EEC officials hope to be able to prevent the continued invasion of concrete bars from Spain into EEC, thus jeopardizing steel quotas for other products.

Under the new agreement, the "double control" which will apply to the granting of export licenses by the Spaniards and EEC will insure the prevention of indirect or diverted sales to other countries who would act as intermediaries.

## Market Saturation

Nevertheless, spokesmen for Spanish steel exporters have pointed out that while only 38 percent of initial sales can be made to Germany, the inevitable problem of the oversaturation of the German market will surface at midyear.

Spanish exporters admit to fraudulent practices by the companies mentioned above, except for Ensidesa, but they point out that in the case of Sevillana Steel, which has the largest volume of sales of concrete bars, there are Italian interests involved.

In a similar case, a Swiss steel company operates with Greek capital which allows additional sales to Greece in EEC at a time when member countries have limited their production.

9787

CSO: 3548/184

## BRIEFS

INDUSTRY ELECTRICITY CONSUMPTION UP--The use of electricity by industry increased last year by 6 percent over 1982. According to data collected by the League of Electricity Producers, industry used a total of 24.2 billion kilowatt-hours. The forest industry had the greatest share of electricity consumption, 58 percent. Following in the statistics were the metal industry with 17 percent, chemical industry, 13 percent, and other industry, 13 percent. According to estimates by the League of Electricity Producers, electricity consumption will grow this year as much as in 1983. Industry generated 72 percent of the electricity it needed by itself. The share of nuclear power in that amount was clearly the largest: more than one-fourth. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 13 Feb 84 p 22] 9611

CSO: 3617/94

## BRIEFS

NEW ANTI-SULPHUR POLLUTION BILL--After several internal discussions the government has now decided to support the new anti-sulphur pollution bill proposed by the minister for the environment, which directs power plants to limit their sulphur emissions. The bill will involve an expenditure of 3-4 billion kroner over a period from 1986 to 1995, and it is this expenditure which has been the subject of the government's thorough discussions. The bill originally proposed by the minister involved larger and earlier expenditures in the area. The minister for the environment states that the expenditure will cause the power bill of the individual citizen to increase by only 50 kroner on an annual basis. [Text] [Copenhagen INFORMATION in Danish 8 Mar 84 p 2] 7262

CSO: 3613/106

## COUNTRY TAKING FIRST STEPS TO CURB USE OF LEAD IN GASOLINE

Helsinki HELSINGIN SANOMAT in Finnish 12 Feb 84 p 32

[Article: "Finland Will Also Reduce Lead in Gasoline"]

[Text] The amount of lead in gasoline is being reduced also in Finland. According to a decision by the Cabinet, beginning with the year 1985 no gasoline containing more than 0.15 grams of lead per liter may be produced in Finland or imported into Finland.

At this moment, 0.4 grams of lead per liter are permitted in Finland. In other Nordic countries the maximum limit is 0.15 grams per liter. In most European countries the maximum limit is the same as in Finland.

Why is Finland so far behind Nordic practice?

"A formal explanation is that only the 1982 law on protecting the atmosphere created a means that gave the Cabinet the possibility to act. Its decision did come in December of the same year," says Airi Laiho, environmental-protection chief of Neste.

"The real reason is that according to studies made in Finland there has been no health damage from lead content. Lead content in the environment in Finland is on the average lower than in foreign countries."

Leading officials also seem to think that there is no reason to lower the lead content of gasoline in Finland faster than in Europe generally.

Appeals are often made to the fact that automobiles are less densely distributed in Finland than in the countries of Central Europe. Finland's number of automobiles is only 5 percent of the number of automobiles in the German Federal Republic, although the area of West Germany is smaller than Finland's.

So the Cabinet in 1982 was of the opinion that Finland did not need to try for lead-free gasoline for the time being.

Environmental protectionists and health officials, however, consider the attempt to be justifiable. They remember that lead-free gasoline gives



the opportunity to use catalytic converters that eliminate other pollutants from exhaust gases.

In the opinion of the Finnish Conservation League, the limit of 0.4 grams is pure indifference. On the basis of experience in Nordic countries, the league is of the opinion that the cost of eliminating lead is quite reasonable.

For the average motorist it would mean a yearly "clear air fee" of less than 70 markkas.

Substances to replace lead are a problem, however, in Finland as elsewhere. For example, of the aromatic hydrocarbons, benzene in particular causes cancer. The decision of the Cabinet did in fact limit the benzene content of gasoline to 5 percent.

Neste has developed a substance named MBTE, which, however, would not completely replace lead. Neste representatives are presently negotiating with officials of Italy and Saudi Arabia on the construction of an MBTE plant in Saudi Arabia.

A change in the preparation of gasoline would require an investment of 150-200 million markkas in oil refineries, and it takes about 2 percent more gasoline to make lead-free gasoline than to make fuel with a lead content of 0.4 grams per liter. These costs would raise the price of gasoline by 6-8 pennies per liter.

In Finland about 16,000 tons of lead have been released into the atmosphere along with exhaust gases since the 1960's. Exhausts were at their highest--a thousand tons in a year--at the beginning of the 1970's. In 1981 the lead content of gasoline was reduced from 0.7 to 0.4 grams per liter, and the exhausts were reduced to 700 tons per year.

Of course, lead exhausts are mainly a problem in densely populated areas and along highways. Lead appears in city air almost entirely in floating dust or suspended particles.

"Helsinki is probably the most problematical place," says health engineer Pertti Forss. "In Helsinki there are more roadways than elsewhere, and in addition a lot of agricultural land has remained within the growing city.

"No completely virgin land can be found anywhere in Helsinki. A small part of the lead is so fine that it passes over all of Helsinki. The situation does not cause concern at present, except for a few special places such as children's playgrounds."

Forss emphasizes, however, that lead is a poisonous heavy metal, whose long-range effects are not known. Therefore, there is reason to be cautious.

## GOVERNMENT TO EASE REGULATIONS ON SOME CHEMICAL AGENTS

Oslo AFTENPOSTEN in Norwegian 6 Feb 84 p 36

[Article by Georg Parmann: "Products Hazardous to Health Will Be Labeled Beginning March 1; Plant-Protection Agents Excepted for Time Being"]

[Text] Starting March 1 of this year chemical substances and products which can result in a danger to health will be labeled in accordance with new regulations. What is new in this is that products which contain carcinogenic substances will be labeled with a special warning text. Plant-protection agents are excepted from the general labeling regulations and are subject to special legislation administered by the Ministry of Agriculture. Regulations concerning plant-protection agents are under revision, but for the time being the ministry is not preparing to have plant-protection agents labeled for cancer risk.

There has been a lengthy tug-of-war over whether plant-protection agents should be labeled for cancer risk in a way comparable to substances and products which come under the general labeling regulations. The Ministry of Environmental Protection, which together with the Ministry of Municipal Affairs and Labor has laid down the labeling regulations, still wishes to have plant protection agents labeled in a manner corresponding to that of other health-hazardous substances and products, and in a letter from Environmental Protection Minister Rakel Surlien to the Ministry of Agriculture in October of last year it is emphasized that the ministry's stand continues to be that plant-protection agents ought to be labeled for cancer risk.

How many carcinogenic plant-protection agents there are on the market today cannot be accounted for exactly. Chief engineer Per Bakken in the SFT [State Pollution Management Commission] relates that clear criteria have been worked out for when a substance should be considered to have carcinogenic properties.

"Substances which in epidemiological studies or in relevant animal experiments have shown themselves to be capable of causing cancer are carcinogenic substances. A separate group of professionals scrutinizes the documentation which exists on the individual substances and judges whether it satisfies the established criteria. It is the authorities, however, who decide which

substances will be regarded as carcinogenic and so entered on the cancer list. When a product contains more than 0.1 percent in weight of a carcinogenic substance, it is classified as carcinogenic and will be labeled thus: 'May cause cancer. Prolonged or repeated influence increases the risk'," says Bakken.

#### Unfortunate Circumstance

"It is quite clear that there are plant-protection agents which are carcinogenic if such substances are used in small quantities within a field where a cancer-hazard label is compulsory, while the chief area of use, namely, as a plant-protection agent, does not require a comparable label.

"Also in light of the fact that Norway has signed Convention 139 of the ILO concerning occupationally caused cancer, it seems to us risky that plant-protection agents are excepted from the cancer-hazard labeling. In article four of this convention it is said: 'Every member-state which ratifies this convention shall take steps to obtain for workers who have been, are, or in all likelihood will be exposed to carcinogenic substances all available information on the hazards this implies and on the precautions which must be taken.'

"In this connection the labeling must be considered a minimum of information," says Bakken.

Toxicologist Olav Flatlandsmo of the Ministry of Agriculture's Poison Board says that it may be a matter of three or four of the active substances used in plant-protection agents which are carcinogenic according to the criteria the SFT and the Labor Commission go by. He says that in addition there is a corresponding number of substances which do not satisfy the criteria for being carcinogenic but which the Poison Board is especially attentive to, because some tests have given results which call for vigilance in this area.

#### Warning

Per Bakken relates that a cancer-hazard label is a mere warning label in line with the labeling of other substances and products which can have negative effects on health. The label is a warning that careless use implies the risk of damage to health and will therefore contribute to stress the need to take up-to-date precautions.

Among the substances which satisfy the criteria for the cancer-hazard label is lindane. This substance is found today in five approved plant-protection agents in Norway, and some of these can be bought by ordinary consumers since they are placed in hazard class B. Two of the preparations are in hazard class A, which implies that you must have proof you are a cultivator by occupation and a requisition to purchase the preparation.

Lindane is not on the SFT's list of carcinogenic substances, because the substance is only used as a plant-protection agent. Cancer-hazard labeling for lindane and products which contain lindane is already established in Finland and the United States.

## Postponement for Lacquer and Paint

There has been a petition for postponement of the labeling of several large groups of products, according to the new regulations on the labeling of chemical substances and products which can result in hazard to health. Department head Karin Refsnes in the State Pollution Management Commission says that the paint and lacquer industry has received a half-year postponement in the institution of such labeling.

The new symbols and special sentences of safety and risk will be printed, according to the regulations, on all substances and products which can result in a health hazard and which are manufactured after March 1, 1984. Manufacturers and importers have had a transition arrangement of one year since the regulations went into effect.

After March 1 of this year wholesalers and retailers can also sell products which are labeled according to the old rules as long as they are in stock.

The public will probably first come in contact with the new warning labels on some products in the household, among others, a few cleaning agents, furniture polish, oven cleaner and comparable products. Gasoline will also be labeled according to the new rules.

## LO Protest

In a letter to the State Pollution Management Commission the LO [Federation of Trade Unions] opposes the application from the Norwegian Petroleum Institute for a simplified label of gasoline in connection with the cancer hazard. The institute feels that the label "May cause cancer" is sufficient. The LO feels that permission to omit the sentence "Prolonged or repeated influence increases the risk" should not be given.

Benzene causes cancer after an unusually short period of influence and has caused leukemia in very low concentrations. Benzene in gasoline is a much greater problem than that which concerns gas stations, says the Federation of Trade Unions, among other things.

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## FORESTRY INDUSTRY ALARMED OVER ACID RAIN EFFECTS

Oslo ARBEIDERBLADET in Norwegian 1 Feb 84 p 27

[Article by Tor Rognmo: "Acid Precipitation Threatens Forests"]

[Text] Despite the fact that it is more than 20 years since the fight against acid precipitation was begun in Norway, the problems only seem to be increasing. Now it is no longer just the fish in the inland waters which are threatened. The rain which kills has also begun to go after another traditional Norwegian branch of industry.

The attacks on the Norwegian forests were observed several years ago, but it is only recently that investigators have started to gather evidence of the effect of precipitation in this area. Last autumn the lumbermen in several Vest-Agder municipalities, including Marnadal, sounded the alarm.

It turned out that it was a so-called bud-and-branch-desiccating fungus that was responsible for the brown-blighted treetops which are becoming more and more customary in the southern coastal and inland landscape. The striking thing, however, was that the fungus was primarily attacking strong and otherwise healthy trees in their best growth period.

#### Weakened Resistance

More recent results of Swedish research indicate that trees which have been exposed to acid precipitation are more quickly attacked by fungus diseases than trees which have escaped the low pH values. The studies in Vest-Agder this past autumn seemed to confirm this causal relationship.

The fungus diseases which strike the trees--probably in connection with the fact that resistance has been weakened by the acid precipitation--do not kill the plants. They attack healthy and young branches which become blighted.

This leads to damage on the tree with the result that the timber itself later becomes less usable and thereby less valuable. It is therefore understandable that the owners of forests are worried and now to a greater extent have also begun to throw themselves into the fight against the industrial emissions which sink down in liquid form over southern Norway in great quantities each year.



## Norway Behind

One of the countries in the world which up until now has been hardest hit by acid precipitation is West Germany. One of West Germany's foremost experts when it is a matter of the effect of this precipitation on the ecological balance in forests is Michael Hauhs from the University of Gottingen. Hauhs was in Grimstad in Aust-Agder last autumn during an inspection of the woods in connection with an international conference on acid precipitation. Hauhs felt he was able to find the same symptoms on several Norwegian trees which one had had when the problem was at an early stage in West Germany.

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## EXTENT OF FOREST DAMAGE SURVEYED

Geneva JOURNAL DE GENEVE in French 16 Feb 84 p 13

/Text/ Switzerland's forests are in trouble. The results published yesterday in Berne of last autumn's survey of 1,400 foresters working in the field throughout the country have shown that the situation is indeed as alarming as had been feared.

Four percent of all the trees in our forests are dying. They will not survive beyond 2 to 5 years. This means that over the next few years some 10 to 12 million trees will have to be cut down, which will produce about 8 million cubic meters of wood. This amounts to a volume equal to double an average year's cuttings from the country's forests. Such a situation cannot fail to add new problems to a wood market that is already seriously depressed. The Confederation, however, has only limited means at its disposal to correct the situation, since wood is considered an industrial, rather than agricultural, product, which means protectionist measures would have a dubious chance of success.

## Danger

In all, 14 percent of our trees are already ailing. Only in exceptional cases will those trees that are at all affected reach the normal cutting age. These trees endanger the entire forest, because they are easily susceptible to parasites or to diseases which, in case of epidemics, could also attack healthy trees.

All species are affected, to one degree or another. The two most economically important species--firs and spruces--are also the most seriously stricken. Twenty-six percent of the firs are diseased, while damage to spruces is rapidly mounting. Beeches and pines are also affected.

The damage is not equally distributed around the country. In general terms, northern and eastern Switzerland are most affected. In metropolitan Basel which has very small forest area is affected. The damage is most pronounced elsewhere, in the cantons of Glaris, Soleure, greater Basel, Schaffhouse, St-Gall, Grisons, and Argovie. Twenty to 35 percent of the trees in those areas are affected. The number of diseased

diseased trees reaches 10 percent in the cantons of Argovie and greater Basel. In the cantons of Zurich, Berne, Uri, Zoug, and Thurgovie the damage is close to the national average.

The French-speaking cantons are much less affected. There is no disease in Geneva's forests, which, however, are not very large. This is explained by the fact that Geneva has neither firs nor spruces, the two most vulnerable species. Its forests are primarily scrub oak. There is very little damage in the forests of Ticino, Valais, or Vaudois, where only 2 to 3 percent of the trees are diseased, and only 3 to 6 percent somewhat sickly. Neuchatel and Jura are most heavily affected, with respectively 8 and 10 percent of the trees in those areas sickly. Experts find it difficult to explain scientifically why there are these differences between the various regions of the country, which are partially attributed to climatic factors.

The lack of emotional agitation occasioned by the death of the forests in French-speaking Switzerland is thus explained by the fact that disease has not spread as extensively and by the fact that, except for the damage noted in neighboring countries and in northern Switzerland, the effects that have been seen could be explained by causes such as last year's drought. These forests in the French-speaking cantons are not, however, exempt from disease, according to Mr de Coulon, director of the Federal Forests Office, because we now know that trees are diseased along before the first symptoms appear.

#### Research Program

The Federal Council yesterday approved an additional research program on forest decline and atmospheric pollution, which will be carried out as part of the program of the Swiss National Fund for Scientific Research on Air Pollution in Switzerland. This new program will last 4 years and will involve the expenditure of 6 million Swiss francs.

This does not mean that the Federal Council will be sitting on its hands while waiting for the initial research results. Within the next 3 to 4 weeks the government will announce the first of the urgent measures it intends to adopt, according to the spokesman for Federal Councillor Egli, head of the Federal Department of the Interior.

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